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DOHA REPORT

# The Iranian Nuclear Agreement: Regional and Global Ramifications

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# The Iranian Nuclear Agreement: Regional and International Ramifications\*

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\* This report is an edited translation of the original in Arabic.

# Table of Contents

<b>Introduction</b>	<b>1</b>
<b>The Path to the Iranian Nuclear Agreement</b>	<b>3</b>
<b>Lausanne: Reading the Fine Print</b>	<b>5</b>
<b>The Agreement's Domestic Impact</b>	<b>7</b>
<b>Regional Positions on the Nuclear Agreement</b>	<b>10</b>
<b>Arab Mashreq Crisis: Ramifications of the Nuclear Agreement</b>	<b>14</b>
<b>Conclusion</b>	<b>16</b>



## Introduction

The announcement of a framework agreement between Iran and the major powers can be marked as an important political development. Drawn up in Lausanne the agreement paves the way toward the end of twelve years of controversy over Iran's nuclear program. The substance of the framework agreement will have serious repercussions for Iran's nuclear capability, the internal Iranian balance of power, and Iran's foreign relations, particularly with the United States. It will also have regional ramifications that are no less significant than the declaration of the agreement itself.

Following the signing of the framework agreement, Iran obtained recognition of its right to enrich uranium on its territories. It has, however, given up 98 percent of its stockpile of enriched uranium, agreed to dismantle more than two-thirds of its centrifuges, restricted its enrichment program to the Natanz facility, and accepted the restructuring of the other nuclear installations, with some being turned into research laboratories.

Apart from the agreement's impact on Iran's nuclear capability, it will have significant implications for the internal Iranian balance of power. It is expected that the agreement will lead to a weakening of the most extreme wing of the Iranian regime, while the agreement has led to widespread support for the wing lead by Iran's President Hassan Rouhani, especially its middle class, which had long been keen to end Iran's isolation, the economic siege, and sanctions. This likely heralds a flare up in the struggle between factions within the regime, which hold differing positions on the agreement and on opening up to the West in general. With the framework agreement including a gradual lifting of sanctions in the lead-up to the final deal, internal tensions are likely to continue. Indeed, the framework in anticipation of an eventual agreement, paves the way for normalization of relations with West, with four packages of economic sanctions imposed by the Security Council because of suspicions that it was trying to acquire nuclear weapons, will be successively dropped.

The current process also means changes for regional politics, with the agreement coming at a time when Tehran's relations with the Arab world are in crisis. There are widespread fears in the Arab region that the nuclear agreement will encourage Iran's efforts to impose its regional hegemony and expand influence in the Arab world. Iranian regional encroachment – seemingly bolstered by its signing of the Lausanne framework agreement – has seen a change in Iranian policy, the most significant of which was the start of Operation Decisive Storm in Yemen following the formation of the Saudi-led coalition to confront the advance of the Iranian-backed Ansar Allah group (the Houthis) and stop them taking control of Yemen. This new situation has given rise to new strategic thinking in the Gulf. The new political realities are shifting priorities and leading officials to take initiatives that will see the Gulf become more self-reliant in confronting Iranian influence, without relying on the usual reassurance of American measures to ensure Gulf security. Instead, Gulf nations have begun creating security and military alliances with important regional powers, states like Turkey and Pakistan.

From another perspective, the rise of the Islamic State in Iraq and the Levant (ISIL), and the alliance between Washington and Tehran to combat ISIL in Iraq represents an additional incentive to end the disagreement over Iran's nuclear program. It is thus probable that the agreement will lead to the strengthening of Iranian-US military cooperation in the war against ISIL and other Sunni jihadi groups. Signs of this shift have started to emerge in a number of regions of Iraq, most recently in Tikrit.

To discuss the agreement and its potential wide-ranging regional effects, as well as ramifications for Arab and international positions, ACRPS held an academic seminar at the Ritz-Carlton Hotel in Doha on April 11, 2015. The seminar was attended by a number of researches and academics concerned with the new developments. In attendance were: Azmi Bishara, Emad Khadouri, Mamdouh Salama, Abdel Wahhab al-Qassab, Hamid Dabashi, Khalid al-Dakhil, Marwan Kabalan, Ibrahim Sharqiya, Fatima al-Samadi, Haydar Saeed, Mahjoub al-Zawiri, Mahmoud Muharib, Camelia

Entekhabifard, and Birol Baskan. Following an opening joint session, the participants divided into four working groups where they discussed the Lausanne agreement in terms of its context, technical content, impact on the domestic Iranian scene and regional crises, and implications for the future of Arab-Iranian relations.;;

## The Path to the Iranian Nuclear Agreement

The Iranian nuclear agreement was the result of a complex series of linked historical transformations.

On the global level, the ability of the American empire to deploy forces and enter simultaneous wars in different parts of the world has become clear, as has the usefulness of military force to defend “global freedom,” as it was called during the neo-conservative period, or to undertake “nation building” as, in an irony of history, it was called in Iraq. Over the second term of former president George W. Bush, the United States reassessed its global policies given the outcomes of its military interventions. This trend continued during the Obama administration, at which point American policy shifted toward attempts to “cool down” crises around the world. This can be seen in US attempts to lift sanctions on Myanmar and Cuba, as well as pursuing the negotiations that may lead to a lifting of the sanctions on Iran. This change is linked to the rise of Russia, which has taken up an international presence as ‘defender’ of the international order.

Regionally, Iran has recuperated following its eight-year war with Iraq, and gone on the offensive thanks to a confluence of interests with the United States in Afghanistan (2001) and Iraq in (2003). In Iraq, Iran exploited the confusion of the US occupation, and its failure to deal with Iraq’s political and social complexities. Then, Iran confronted Iraqi resistance by regional expansion and consolidated its influence by means of sectarian parties by rebuilding the Iraqi army and security forces. Iran was thus able to take advantage of the United States and its allies, who had made the mistake of disbanding the Iraqi army and doing away with the entire existing apparatus of the state.

In the context of its expansion to the west, Iran exploited the hostility of Arab peoples towards Israel. With its pro-Palestinian discourse, the Iranian regime appealed to Arab public opinion. This seized an opportunity arising from the vacuum created by the Arab

regimes who had once given up support for Palestinian and Lebanese resistance, but who now focused on the so-called peace strategy – starting with the Camp David model and progressing via the Oslo Accords, Wadi Araba, and the commitment to the Arab Peace initiative, which has gradually taken over the political sphere as far as Palestine is concerned. This has won some parties over to the Iranian side, making expansion easier. Also facilitating the program is the failure of Arab states to put forward a project for a regional state, or even rally the cooperation of nation states to stand up to the Iranian project. This failure has not only been regional cohesion, but also on the level of societies and peoples within Arab states. Opposing the Iranian program through the creation of a regional state would entail the promotion of development along citizen rights, and pulling the carpet from under the feet of Iranian propaganda. It would also require taking a principled position on the issue of Palestine as an Arab issue and not a burden to be shed.

Domestically, the Iranian revolution went through the same developments as many other revolutions, including those of the Arab Spring. Iran's revolution was institutionalized and developed opposition groups including political realists, revolutionary purists who clung to the purity of the early days of the revolution, those who sought to transcend the revolution and move toward new historical stage, and those who combined elements of all of the above. This produced a set of internal conflicts on the level of both state and regime, as well as societally when it came to defining national aspirations. Thus, the current question of opening up to the West and emerging from the control of the clergy and its popular and military institutions has meant a resurgence of the schisms of the post-revolutionary period. This has created major challenges for the current Iranian leadership.

As a way of addressing internal disagreements, Rouhani and his camp are responding to domestic economic challenges by working to bring sanctions to an end, which will mean giving up of 13,000 of the country's centrifuges. For a ten-year period, it will have to make do with operating 5,060 of the 19,000 it currently has. Iran has also agreed to limit the level of enrichment to 3.67 percent and to place its nuclear activity under the close oversight of international agencies. In practice, Iran has thus agreed to infringements on its sovereignty with regard to nuclear activities, in exchange for a gradual end to sanctions and improved relations with the West.



## Lausanne: Reading the Fine Print

For the last few decades, Iran has defined its nuclear goals as twofold: to obtain all the links in the nuclear chain, and to implement all stages by making use of its national engineering and scientific assets. It started enriching uranium at the end of the 1990s, principally through centrifuges, and continued steadily producing large quantities of 5 percent enriched uranium. It then tried to persuade international powers and organizations that the aims of its nuclear activity were strictly peaceful. It entered into negotiations with Brazil (via Turkey) to trade 1,200 kilograms of Iranian 5-percent enriched uranium for 120 kilograms of Brazilian 20-percent enriched uranium, to use as fresh fuel in its reactor at Tehran University and to produce radioactive isotopes for medical use. At the time, Iran made a commitment that it would not enrich uranium beyond the 5-percent threshold, and was demonstrating its peaceful intentions when it set out to obtain the 20-percent enriched uranium.

The three parties—Brazil, Iran, and Turkey—reached an agreement over the deal in mid-2010, but the United States objected and it fell through. In 2012, Iran declared that it had decided to use its centrifuges to further enrich Iranian uranium from 5 to 20 percent, and that its engineers and scientists would manufacture nuclear fuel rods enriched to 20 percent for its research reactor at Tehran University. At that time, Iran deemed this a matter of “nuclear sovereignty.” In October 2014, prior to the start of talks with Western nations in Vienna in November 2014, Russia signed a memorandum of understanding with Iran, giving the green light to set up eight nuclear power stations including equipment. These Russian power stations would prepare nuclear fuel for Iran under the auspices of the International Atomic Energy Authority. This was viewed as a backing down from Iran’s declared aim to rely exclusively on national assets.

Iranian concessions continued in the general framework of the April 2015 agreement. One of the paragraphs of this agreement indicated the Iranian government would

reduce the purity of enriched uranium to 3.67 percent, and reduce its stockpile from around 10,000kg to only 500kg, without stipulating how this reduction is to be achieved. Another paragraph states that Iran had made an indefinite commitment to refrain from reprocessing or carrying out reprocessing research or development on spent nuclear fuel. Just like the first commitment, however, no clear time period for the realization of the goal was identified. So while the text of the agreement puts an absolute block on reprocessing, and leaves no room for a different interpretation on this front, mechanisms to realize this have yet to be determined.

The agreement sets in place a restricted enrichment of uranium to a level 5 percent for the fuel for nuclear power stations. This ultimately restricts the country's usage of nuclear technology on a number of fronts. However, details of the agreement tell another story. While the media see Iran as having backed down and reduced the number of its centrifuges from 19,000 to 6,140, in fact, after the agreement, Iran will no longer require the output of these centrifuges, nor what they have accumulated over more than a decade, despite the human and economic sacrifices made for it. This is because the fuel for the reactors that will continue operate will be Russian. One real concession, however, is the Arak reactor, since the agreement stipulates that, "Iran has agreed to redesign and rebuild a heavy water research reactor in Arak, based on a design that is agreed to by the P5+1 ...the original core of the reactor ... will be destroyed or removed from the country."

Work in Iran to design and build the Arak nuclear reactor, which has a capacity of 40 megawatts, began in 1995. It remained secret until a figure from the Iranian opposition revealed it in Paris in 2002. It was supposed to come on-line in the second half of 2014, but this was halted by the 2013 interim agreement. The reactor was a key element of the Iranian nuclear program. It is designed to use naturally occurring uranium without the need for enrichment, and uses very expensive heavy water, making it suitable for the production of plutonium in sufficient quantities to make a nuclear weapon. The

reactor is similar in capacity and process to the French reactor at Dimona, which provides Israel with its nuclear bombs, and the Canadian reactor that enabled India to acquire nuclear weapons, as well as the Pakistani reactor at Khushab.

Iran claimed the reactor was being set up for scientific research purposes; to produce radioactive isotopes for medical and agricultural use, because it operates using uranium ore available in Iran that does not require enrichment, thus making it an alternative should other avenues fail. Although Iran stated in 2006 that it was not thinking of using the weapons-grade plutonium derived from the spent fuel of this reactor—a statement it reiterated at the Tashkent talks at the beginning of 2013, and officially committed not to try to build a facility for reprocessing plutonium from spent fuel on its territory—it was nevertheless unable to convince the P5+1 to allow the Arak reactor to go online. According to the framework agreement, Iran must dispose of the current reactor core (by destroying or exporting it), and redesigning the facility so it can produce exclusively peaceful-purpose products, and without producing military plutonium.

Overall, the two chief concessions Iran has made on its nuclear program can be seen as:

- Agreeing that Russia should eventually build nuclear power station reactors in Iran. This means Iranian sovereignty is impinged upon, forcing Iran to rely on outside actors for the production of fuel for its nuclear reactors.
- The destruction of the Arak nuclear reactor.

## The Agreement's Domestic Impact

The internal debate in Iran, among people on the streets, in the press, and on social media is focused on the benefits of the agreement and its implications, in particular the

lifting of sanctions. Two key domestic Iranian factors have pushed for the signing of an agreement:

- Pressure to ensure an end to sanctions, due to an intensification of demands following national economic stagnation and attendant social crises.
- Ongoing political mobilization that has seen an increase of criticism of the regime and its leaders, which has reached unprecedentedly high levels.

Following the end of the Iraq-Iran war, a call emerged from within the Iranian political regime for good relations with the West. This was seen as increasingly essential, and a roadblock to regional power. While the sentiment was not widespread or deeply felt in its early stages, particularly during the presidency of Ahmadinejad, it never disappeared from the state agenda, and can be seen to persist as one of the motivating factors for the nuclear negotiations team. This can also be seen as a reason why the main power centers of Iran have agreed to support the signing of a nuclear agreement. However, some of the players differ in how they evaluate the results of the agreement, as well as in their levels of enthusiasm towards anticipated results. Some have even made remarks about the agreement, or have directly requested amendments to be incorporated into the final accord. The position of Supreme Leader Ali Khamenei on the matter is ambiguous, and there has been much talk of his positions both those stated outright, and those only hinted at. In general, the Supreme Guide has supported the signing of the agreement, but insists that the final agreement ensures:

- A lifting of sanctions on Iran as soon as final agreement is reached
- Guarantees for Iranian interests
- No inspection of military facilities or the halting Iranian defense factories.

For its part, Iran's Revolutionary Guard has also backed the Iranian negotiating team, but expressed some reservations over the agreement, particularly in connection with

inspection of Iranian military installations. Despite its enthusiasm for the lifting of Western sanctions, given their impact on its massive internal investments, the Revolutionary Guard has fears that the agreement will lead to social liberalization in Iran. This follows a decline in Iran's soft power as a result of its intrusion on the Arab scene and its direct and indirect intervention in the troubled region. However, support for negotiations within the ruling establishment convinced the American administration that Iran "has changed from a regime that wants to commit suicide into a regime that wants to continue and integrate with the international community."

In this context, the confluence of interests between Iranian reformists and the US, administration cannot be overlooked. Similarly, the traditional Iranian establishment was forced to go on the defensive, when reformists objected to efforts that would see Iran open up to the West. Despite the reformists' zeal to reach a final agreement with the West, it is unlikely that they will offer important concessions on regional issues or the nuclear issue. Back in Iran, they will take on their conservative opponents with a discourse of "Iranian nationalism." This is because the reformists are no less committed to Iran's strategic interests than the conservatives; they aspire to an understanding with the West to boost both domestic and regional interests.

There is little doubt that an agreement will set the political future for the reformist trend and Iranian President Hassan Rouhani in particular. However, if and when an agreement is signed, Iran will continue to face major social and economic challenges. While circumstances indicate that Iran will benefit from the lifting of sanctions, particularly in the energy sector as the core of its economy, this economic gain and the response of that sector will remain limited and insufficient to meet the future needs of Iran. Oil production in Iran peaked in the 1970s and been in decline ever since, and as things stand today, Iran cannot produce enough oil to meet its OPEC quota (4.2 million barrels a day). At best, daily production is less than 3 million barrels because of leaks and rising domestic energy consumption. The problem of limited production us

underscored by data that indicates Iran's oil reserves are overstated, and hover around 36 billion barrels (with some estimates as low as 30 billion); nowhere near the overstated 157 billion barrels as Iran claims. This means that Iran will not remain a net oil exporter in the future, and will turn to nuclear energy to produce power and reduce oil consumption.

Iran's economic troubles, and its reliance on oil export, are compounded by current market trends. With the oil market's daily surplus in supply of around 1.5 million barrels, and the economic downturn in China and the major European economies not in themselves enough to explain the collapse in the oil price from 100 dollars to current levels, political reasons must be sought behind the current fall in oil prices. The intention, it seems, was to affect the Russian and Iranian economies. With the impetus for such political maneuverings coming to an end, the market can restore its balance according to the shifts of supply and demand. As far as implications on the world energy market following any Iranian nuclear agreement, International experts reckon it will not have any deep effect on the world oil market, and that the lifting of sanctions on Iranian oil exports will have a limited effect on depressed prices. However, it is anticipated that prices will rise in the second half of 2015 from current levels of around 57 dollars a barrel to 75 dollars, and that all losses sustained by the oil markets of late will be regained in 2016.

While lifting sanctions on Iran will help the country make use of anti-depletion technology, it will not help increase production, a necessity if Iran wants to remain a net exporter, since rising local consumption means Iranian oil production will not likely exceed 3 million barrels a day at best.

## Regional Positions on the Nuclear Agreement

Until now, Arab states have not adopted a clear position on the Iranian nuclear agreement, whether nationally or through the Arab League. States hold varying

positions, many of which hinge on issues that go beyond the nuclear dossier and back several decades to the Iranian revolution, which marked a major turning point in the history of the region. Supported in its initial phases, Iran's 1979 revolution soon installed a conservative clerical establishment whose leadership aided the spread and revival of the political Islam movement in the 1970s and 1980s. A sectarian rather than common Islamic character gradually prevailed with Iran's rapprochement with Shiite Arabs, treating Shiite communities as almost a reserve army. The revival in political Islam, which the Iranian Revolution contributed to, soon spurred into a Sunni counter revival. The Shia and later Sunni transformations into a transnational sectarian groups broke down the traditional power of the modern nation states of the Arab world, offering alternatives to Arab national identity. In addition, the Arab Gulf in particular and the Arab East in general are still experiencing these effects of the Iranian revolution and the country's exploitation of the 2003 US-led war on Iraq.

Given the Arab world's position vis-à-vis the United States, and US President Barak Obama's decision to opt for an agreement with Iran, either the Arabs did not present the American administration with a comprehensive and persuasive vision of the regional situation (the upheaval and unrest it is going through, with states collapsing, and the role of Iranian actions in that), or they did present such a vision, and Obama ignored it, seeing no alternative to the current situation including Iran's political actions. In either case, the prime reason for the discord between Obama's position and the Arab position is politics. Obama's current course is either a political choice taken by the president of a superpower, or it is the political shortcomings of his allies, who are unable to present an integrated and convincing alternative.

The Lausanne agreement may be a new and historic turning point that will reorder the alliances and priorities of the region, and the Arab states would be greatly mistaken if they choose to view the agreement as a question of details yet to be agreed upon, or view themselves collateral damage. The nuclear agreement with Iran indicates that the period of almost total reliance on the American security umbrella is no longer a dependable option. This umbrella kept Saudi Arabia and the Arabian Gulf states outside the formula maintaining balance of power in the region, which gave Iran its own position in the formula, particularly after the fall of the Iraqi and the collapse of the Syrian regimes. However, if the United States had chosen a technical agreement with Iran and to leave the nations' political differences unresolved, this would have left the Arab states (Saudi Arabia in particular) sufficient room to maneuver if they could have organized to exploit the situation.

Iran was and remains an important regional power with which the Arabs must live as neighbors, with or without a nuclear deal with the West. Iran, too, must live with the Arabs as neighbors. The model for possible future relations must be one of cooperation, mutual respect, and non-intervention in internal affairs. The major challenge for the Arabs will be to stop demanding protection from the West against Iranian ambitions, and to stop perceiving Iran as a permanent threat. Without strong regional states or a union of states the challenge will be impossible. Indeed, any such option at this point would be difficult unless there is political reform of the ruling Arab regimes.

The Arab problem with Iran lies in the theocratic nature of its regime and that regime's sectarian project. In order to resolve this problem, an opposing Arab project must be developed; this is not only a necessity for a time of external threat, but more generally. A collective Arab vision assumes the development state military capability, either conventional or nuclear, to counterbalance Iran. It also assumes the rebuilding of Arab states on the foundations of democracy and social justice, without which both state and society would be in serious danger of militarization, as was the case with the Baathist model in Iraq and Syria.

There is still time to act. The time frame set in place by the recent nuclear agreement prevents Iran from manufacturing nuclear weapons for 10 to 15 years, creating a lag within Arabs can build up their capabilities so as to ensure the ability to manufacture nuclear weapons if necessary.

Unlike the vague and un-unified Arab position, Turkey and Israel have for a long time made their policies vis-à-vis a nuclear Iran clear. Turkey has worked consistently since 2008 to solve the Iranian nuclear question peacefully, aiming for a deal that would allow Iran to obtain limited quantities of uranium enriched to 20 percent from Brazil, which would fuel the research reactor at Tehran University. This would be given in exchange for Iran handing over the uranium it had already enriched to 5 percent. Throughout the Iran nuclear crisis, Turkey has looked for peaceful solutions through negotiations and diplomacy, as a way to avoid any large-scale military operation in the Middle East. The Turkish position is based on the fears of the Turkish government that the issue could precipitate armed conflict, allowing the Turkish army to intervene in domestic decision-making. This follows persistent efforts by the government lead by the Justice and Development Party (AKP), to prevent the army from interfering in political decisions and taking control over internal Turkish politics. The two beliefs building the Turkish position can be summed up as: 1) Iran should not possess a nuclear weapon;



and 2) The crisis must be solved through diplomacy and ideally negotiations, rather than through the use of sanctions, which exacerbate the problem.

Turkey has welcomed the signing of the Lausanne agreement, since it sees the deal as meeting its two aims. The government's official position was laid out by Foreign Minister Mevlüt Çavuşoğlu, who said, "Turkey is very happy with the ending of the negotiations between Iran and the P5 + 1 in a political understanding. Turkey hopes Iran will take more steps before the deadline for the final agreement in June." Turkish Finance Minister Mehmet Simsek also made a public statement, which focused on the economic returns that the deal would realize for Turkey, saying that he hoped the framework nuclear agreement could be the first step toward lifting sanctions on Iran, and noted that this would help strengthen Turkish exports to Iran—which is a more significant trading partner than the Arab world, promising less competition than with Western nations, and better business opportunities—and reduce world oil prices. With the value of trade between Iran and Turkey double that between Turkey and the Arab Gulf states, it is clear that Turkey is looking to the deal's positive economic ramifications. Also, Turkey's project to become an important conduit for energy between Asia and Europe gives Iran a privileged place, since the project cannot be implemented without Iran as a partner in it. These positions indicate that Turkey does not share the anxiety of the Arabian Gulf states over the consequences of the agreement. Rather, it sees the possible positive ramifications of the agreement on its economy.

Israel has also made its position clear, maintaining a permanently hostile view of the Iranian nuclear agreement, which it sees it as forming a major threat to its security. The Israeli government has long exerted pressure to increase sanctions against Iran, urging the use of military force to stop its nuclear program, in lieu of an agreement that would secure a complete cessation of nuclear activity. Their position must be understood in the context of being the only nuclear power in the Middle East. Israel has a large stockpile of nuclear weapons, the ability to absorb a first strike and direct a second. It is also the only power to have destroyed nuclear facilities in other states (Syria and Iraq). Despite public knowledge of these capabilities, Israel remains an undeclared nuclear state following a 1969 agreement with the United States under then President Richard Nixon. The deal was that Israel would not to carry out any nuclear tests, and in return the United States would not exert pressure on Israel to disclose its nuclear stockpile. Whenever a new American president is elected, this commitment is renewed in private, and because it is a verbal agreement it is not subject to Congressional approval.

Given this stance, it came as little shock that Israeli Prime Minister Benjamin Netanyahu and his government rejected the agreement after it was signed on the grounds that it was an existential threat to Israel. While this was the position of the government, Israeli academics, intellectuals, and retired army officers—who usually express the position of the Israeli military establishment—tended toward another view. This collection of voices is urging Israel to avoid scaremongering, insisting instead that the nuclear agreement might provide an opportunity for the nation. In spite of this, there is a consensus inside Israel that Iran must not be allowed to acquire nuclear weapons, and that Israel be allowed to continue its monopoly over them. If there is a consensus within Israel on the outcome of any agreement, the major difference in opinions lies in the means to achieve it. Israel's opposition is concerned over the wedge that the Israeli position has put in place between their government and the Whitehouse, and are demanding that Netanyahu try to strengthen ties in order to impact the final terms of a deal.

Whatever happens, Israel remains fearful of a nuclear arms race in the region, in particular given that other states are working to acquire nuclear energy, including Egypt, Turkey, and Saudi Arabia. Israel also fears that Pakistan may provide Saudi Arabia with nuclear weapons, or that the United States will equip Saudi Arabia with advanced weapons in order to achieve a balance with Iran. Israel also worries that Iran might try and breach its agreement with the West, exploiting the end of sanctions and the goodwill diplomacy, and manufacture nuclear weapons in secret.

## Arab Mashreq Crisis: Ramifications of the Nuclear Agreement

While Iran did not create the crises in the region, it has exploited the fallout of the revolutions as part and parcel of managing its foreign relations. Iran has proven to be skilled at using soft power to manage regional conflicts. It had practice with the Israeli invasion of Lebanon in 1982, the US invasion of Afghanistan in 2001, and Iraq in 2003, during which Iran directed events and outcomes so as to serve its regional and international interests. If Iran is trying to acquire nuclear weapons, it is not doing so to use them in any battle—such weapons are not there to be used, and are not an end in themselves—but as a means to increase their influence in the region and to induce the West to recognize the Iranian regime as a regional power. The political regime in Iran, following the nuclear agreement, has obtained the West's acquiescence for it to

continue its regional program, trusting that the west will not work to destabilize or oust its leaders. The United States realized that regional issues, Syria and Iraq in particular, are more important to Iran than its nuclear program, and used those issues as a way to pressure Iran into signing the deal.

Iraq and Syria will undoubtedly be affected by the change in Iranian-Western relations that the deal has precipitated. Just how they will be affected will depend on the outcome of the new struggle between three regional powers: Iran, Turkey, and Saudi Arabia. Each of these parties has its eye on Syria. Iran, for one, considers Syria a key country in the Arab region, since whoever wins the battle in Syria means a loss on all other fronts in a zero-sum game. Thus for Iran, Syria represents a foothold on the Mediterranean and a conduit between Iran and Hezbollah in Lebanon. More important still, Iran cannot neutralize Iraq and keep it under its control without controlling Syria. Iran recognized the importance of the Syrian regime standing alongside it as early as the first Gulf War, and understands that continued dominance of Iraq implies control of Syria. An Iraqi exit from Iran's sphere of influence would only take place through a Syrian entryway. Iraq, therefore, is the 'crown jewel' of Iran's project, and Syria is the only safeguard. This position is both underscored and undermined by the fact that ISIL, when it stormed the Iraqi city of Mosul, mimicked the Iranian model of dominance but presented itself as an alternative to Iranian dominance for the towns of eastern Syrian along the Iraqi border.

Within this context, a nuclear deal could influence the crises in Syria and Iraq in two ways. First, by reassuring the regime in Iran of its future success, leaders can relax their grip on Syria and adopt a more flexible approach (as well as in Iraq, and Yemen). The agreement could bring Iran into line with the rules of the international game. This, at least, is the justification the Obama administration is using to market its policy of containment. This also fits with Iran's reformist current, seen as a reaction to poor economic conditions, pushing Iran to focus on the home front instead of foreign issues. Conversely, having obtained international recognition and legitimacy, the agreement could instead encourage a harder line on regional issues, and Iran could move to enlarge its influence in the region. In this case, the signing of an agreement will not change the dynamics of the existing conflict. Iran may continue working to achieve strategic superiority over other regional powers, foremost among them Saudi Arabia, and without economic sanctions the way would be clear for further expansion. Iran could use its enhanced economic capacity and possibilities after the lifting of sanctions to increase expansion and dominance.

With regard to the ramifications of the agreement for the Yemeni crisis, there are both 'good' and 'bad' scenarios, both of which are linked to the way in which the Iranian regime redirects its effort and the results of Operation Decisive Storm. The good scenario would see Decisive Storm succeed in restoring legitimacy to Yemen, forcing Iran to realize that it is not in its interest to continue pushing toward a regional conflict, since an Arab-lead initiative restoring the situation would show the presence of an important actor in the region. The bad scenario involves the agreement leaving Iran free to rebuild its armed forces, in parallel with Saudi Arabia, and the states participating in Decisive Storm failing to restore the government in Yemen. This failure would indicate a weak Arab side, unable to impose *détente*. This would leave Iran space for greater intervention in the Arab arena. Whatever the scenario, Iranian action in Yemen will continue to be governed by the solidity of its local alliances, and it will continue operating in the area as long as it is able.

In the short term, it is likely that Iran will operate on a policy of calculated confrontation. It has made quick advantage of the nuclear agreement, and sent warships into the Gulf of Aden. This showed Iran's seriousness about intervening regionally. Although its aims are alarming, and work needs to be done to secure an allied Arab position to confront its expansionist practices, it is also important to remember that while Iran does have a clear position, it has not always managed to achieve its aims.

## Conclusion

The fallout from the nuclear deal is thus sure to play a significant part in determining the final form of regional relations. If a final agreement is indeed reached, Iran will be able to begin pulling itself out of the economic straits caused by the Western-imposed sanctions. It will inevitably have to devote resources to the renewal of its run-down infrastructure and to achieving a reasonable degree of prosperity for its people. In return, Iran will have a host of new obligations toward the IAEA, the P5 + 1, the United States, and its new allies linked to the technical and material underpinnings of its nuclear program. Given this new international position, any negative involvement in regional power relations would be a very costly affair for Iran. Reneging on any part of the deal would take a heavy toll that Iran might not be able to afford. This could stretch Iran's ability to continue support of its allies, putting some in an awkward position, in particular those that cannot support themselves. It is also possible, however, that Iran could break with its commitments in any deal and intervene militarily in support of the

Houthis, or to bring Operation Decisive Storm to an end. It might also renege on its commitments it made in the framework agreement and continue to intervene in the region as a way to continue its quest for regional dominance against the Arabs in particular. It could even target the Gulf internally by using sleeper cells.

What must be kept in mind going forward is that any agreement between Iran and the West will have serious national, regional, and international ramifications. Iran's decision to open up to the West was not a conspiracy against the Arabs, just as Iran's support for the Palestinian or Lebanese resistance was not a plot against Israel. Each have been the result of existing socio-political dynamics in Iran that began with the Green Revolution and proceeded along the avenues opened by the reformists in the complex structure of the Iranian regime. The agreement was also a result of the election of current Iranian President Hassan Rouhani, and the effectiveness of international and American economic sanctions that have drained the Iranian economy and become a main source of complaint for large sectors of the populous.

The agreement, to be signed on June 30, 2015, will thus be the culmination of a whole host of interactive processes. This may lead, like the thaw with the West that accompanied the end of the arms race with the former Soviet Union and Eastern Europe, to the weakening of orthodoxies upheld by the ruling elite and their institutions, and the hollowing out of their discourse as a result of the contradiction between it and the actually prevalent lifestyle and the real relations with the West. From this perspective, the nuclear agreement and rapprochement may indeed mark a positive turning point from a reform point of view.