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## **Iran Attempts to Stand Firm in the Face of US Pressures**

**Sima Shine**

**The Iranian regime is waging a campaign on the diplomatic, economic, and nuclear fronts as it confronts the Trump administration's "maximum pressure" policy. The Iranian policy, dubbed "maximum resistance" by the regime, centers on the refusal to meet Trump and resume negotiations before the sanctions imposed on Tehran by Washington are lifted. Iranian Foreign Minister Mohammad Zarif is conducting a series of political visits to many countries in defiance of the sanctions imposed on him by Washington. In the economic sphere, Iran has signed agreements in principle in recent months on expanding trade, mainly with neighboring countries. But in contending with the Trump policy, Iran's focus is on a gradual erosion of Iran's commitment to the nuclear agreement. Two stages of deal-violation have already been implemented, and on September 6 Tehran will likely announce a third step, which may include enriching uranium to higher levels (perhaps even 20 percent) and activating advanced centrifuges for enrichment at greater volumes, as well as possible measures in other areas. These moves, Iran has emphasized, are easily reversed if the American sanctions are lifted. In any event, the Iranian conduct reflects a decision not to resume negotiations without clear gains in the sanctions realm – even if it is obvious to Tehran that ultimately the current crisis will not end without negotiations.**

The Iranian regime is conducting a campaign on several fronts – diplomatic, nuclear, and economic – in the face of the "maximum pressure" policy pursued by the American administration since the United States withdrew from the nuclear deal (May 2018). Iranian officials label Iran's policy "maximum resistance," centering on the consistent refusal of offers to meet with the US administration representatives, and certainly to hold a top-level meeting with President Trump himself, as long as the sanctions imposed on it are in force. President Trump, who is eager to have Iran return to the negotiating table and thereby achieve what the US would view as a better nuclear deal, relayed messages and dispatched envoys to Tehran, reiterating that he does not intend to encourage regime change in Iran and is even willing to help the current regime prosper if it agrees to talks that lead to a new nuclear deal.

In this political framework, Iranian Foreign Minister Mohammad Zarif was forbidden to meet President Trump, after an invitation to the White House was relayed to him by

Senator Paul Rand. The most recent and significant effort so far toward a formula acceptable to the United States and Iran was made by French President Emmanuel Macron during the G7 summit, held in France in late August 2019. With the personal approval of President Trump, Zarif then received a surprise invitation to France for a briefing. Following the French outreach, Trump even confirmed the possibility of a meeting with his Iranian counterpart, Hassan Rouhani, who after an update by Zarif said: "If I know that the country's problems will be solved and the country will be developed if I meet an individual, I wouldn't mind going to the meeting." He also emphasized that Iran should not ignore any opportunity, even if the prospects of success are slim.

As expected, Rouhani's remarks aroused harsh criticism in Iran's conservative camp. Dozens of lawmakers signed a petition rejecting dialogue with the United States, and the *Kayhan* newspaper, whose editor is close to Supreme Leader Ali Khamenei and is considered a mouthpiece for his positions, denied the possibility of renewed dialogue and reiterated that there is no trusting the United States and that the strong economic policy should be maintained. Especially prominent among all the criticism of the idea of talking to the US administration was the position of an important figure in the Iranian security establishment, Supreme National Security Council Secretary Ali Shamkhani, a former defense minister who was in charge of advancing the military nuclear project. In a rare interview with NBC News, Shamkhani said that the nuclear deal should never have been signed, and that this was his position even when the deal was drafted. This is presumably the position he voices in current discussions among the top Iranian echelons. Given the fierce criticism of his remarks, President Rouhani recanted and was quick to clarify that the precondition for negotiations with the United States remained the lifting of sanctions. In recent days he has even toughened his position, and stated that Iran will never hold bilateral talks with the United States, and "if America lifts all the sanctions then like before it can join multilateral talks between Tehran and parties to the 2015 deal," a reference to the P5+1 that put together the nuclear deal with Iran. At the same time, Rouhani reiterated that even if Iran moves ahead with a third step undercutting the nuclear deal, it can return to where it was within the deal's framework if its conditions are met.

President Macron, meanwhile, continues to hold talks with the European partners to the nuclear deal – Britain and Germany – and following his discussions with President Trump, is reportedly proposing Iran a measure of relief regarding the sale of oil and a year-long, \$15 billion credit line. This would constitute a sum that Zarif himself described as amounting to approximately one quarter of what Iran requires for its base spending, with Iran making up the rest by exporting to other countries. President Trump said he might allow Iran to receive a short-term line of credit or a specific loan "if the circumstances were correct."

In the diplomatic sphere, and with a view to prove the inefficacy of the personal sanctions that the United States imposed on him, Zarif embarked on a diplomatic tour of Scandinavian countries, and then arrived in Paris (August 23) on the eve of the G7 summit. A three-way summit in Ankara between Russia, Iran, and Turkey is also reportedly planned. In the framework of a Far East tour, Zarif visited Japan, China, and Malaysia. On September 2, Zarif led an official delegation to Moscow, where extensive talks are planned on a range of issues, chief among them the future of the nuclear deal – following the talks held with President Macron.

In an unusual move, Supreme Leader Khamenei held a high-profile public meeting in Tehran with a Houthi delegation from Yemen and voiced support for them, in a demonstration of ties that Iran no longer conceals. Another unusual development noted during the Houthi delegation's visit was a meeting arranged by Iran with the ambassadors of Britain, France, Germany, and Italy. This meeting demonstrated Europe's understanding of the need to incorporate Iran in a Yemen agreement, and effectively bolsters Iran's status as a party that can contribute to a resolution – rather than as a core problem, as it is portrayed by the American administration.

In the nuclear sphere, Iran has emphasized that it intends to pursue the policy of gradually abandoning its commitments under the nuclear deal. In this framework, it has already implemented the first two stages: surpassing the 300 kg threshold of low-enriched uranium that the deal allows it to keep on its soil, and enriching beyond the 3.67 percent permitted. On September 6 Iran intends to announce its next step in withdrawing from their commitment. The head of Iran's Atomic Energy Organization, Ali Akbar Salehi, announced that advanced IR6-model centrifuges have already been assembled in new bays. Iranian officials said that 33 new centrifuges have been assembled, but with only 10 of them receiving UF<sub>6</sub> gas injections – allowing the Europeans to cast this move as falling within the deal's grey zone, or in other words, not yet constituting a blatant breach that obligates them to take counter-measures. Salehi also stated that in the coming months, an Iranian announcement would be made regarding the heavy water reactor in Arak. In accordance with the nuclear deal, Iran removed the core of the reactor and filled it with cement, but it has emerged that in parallel, it bought pipes that could replace those that were disabled. Officials in the Iranian parliament further hinted at additional steps Iran may take, among them even the activation of more advanced centrifuges (assuming this is not baseless bragging). Still, the Iranians continue to underscore that all these steps can be rescinded if the European partners to the deal find a solution that compensates for the price Iran is paying for the American sanctions.

On the economic front, in an attempt to come up with paths to circumvent the sanctions and prove to the American administration that the economic pressures will not succeed, Iran has invested significant efforts in recent months in broadening economic ties, especially with neighboring countries. In most cases, this has come down to declarations of intent that are still far from implementation, but the contacts – with Kazakhstan and Russia on wheat trade, with Pakistan on easing bureaucracy and promoting trade, with Georgia on transport routes, and with Afghanistan on electricity – indicate an informed Iranian decision to broaden options and diversify revenues beyond the oil realm.

These moves by Iran reflect a determined regime, resolved to contend with the pressures exerted by the United States at every possible level. The top Iranian echelon has repeatedly made clear that it will not negotiate under duress, and even if within Iran debate continues about possibly renewing the dialogue with the United States, there is no debate regarding the need to continue measures in the nuclear realm. In Tehran's view, these constitute important leverage, both vis-à-vis European powers, to encourage their quest for possible solutions to the sanctions issue, and also as a bargaining chip vis-à-vis the Trump administration with a renewal of negotiations looming if the sanctions (or at least some of them) are lifted. The Iranian leadership emphasizes that its considerations are irrespective of who wins the next US presidential elections. Zarif even made clear recently that Iran believes Trump will be re-elected – implying that Iran is not crafting its policy according to an assessment that a Democratic president will change the current American political course.

The bottom line is that while even the Iranians understand that negotiations are needed to resolve the current crisis, they believe that Iran now holds valuable cards: the American President is interested in a high-profile meeting, which would be especially important for him in an election year; and European countries are prepared to go a long way in order to prevent escalation in tensions over the nuclear file and spur an American-Iranian dialogue. In the meantime, Iran appears able to sustain the economic pressures while it works on achieving its objectives, which are presented as a condition for returning to negotiations.