

Geneva Deal: Beginning of a New Era between Iran-US Relations

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Abstracts

In the present era, the Iran-US relations carry greater significance in the world politics. The diplomatic relations between both countries have remained suspended since the Iranian Revolution of 1979. But now after three decades when Iran has elected its new President, a shift has been observed in Iranian policies towards West and both sides are willing to melt the ice through an interim deal in Geneva. Though this deal has its positive aspects yet the prospects and fears along with its pros and cons in the days to come cannot be brushed aside. This paper is an attempt to analyze how this agreement will have its impact on the Middle Eastern region in reshaping the balance of power. The study will also discuss how Iran will have to face the harsh screening safeguards along with the introduction of Nuclear Weapon Free Iran Act of 2013.

Key Words: British Imperialistic Legacy, Truman Doctrine, Balance of Power, World War II, Cold War, Operation Ajax, Anglo-Iranian Oil, Nationalists Governments, Baghdad Pact, Great Satan, Axis of Evil, Weapons of Mass Destruction, Holocaust, Persian Gulf, Al Qaeda, Hezbollah, Regional Hegemon, P5+1, Non-Proliferation Treaty,

Introduction

Keddie and Gasiorowski (1990: 1) write that “Iranian events played an important role both in shaping the hostile relations between the United States and the Soviet Union soon after the World War II and in contributing to a world situation in the late 1980s in which peaceful solutions came to the fore in many parts of the world”. Iran-US relations date back to 1933, however both countries had no official relations since 1980 of hostage crisis (Maclean, 2013).

The evolution of US policy during the post war years and the process by which the British imperialistic legacy was understood by the US was the enunciation of Truman Doctrine. This constituted a “qualified commitment by the United States to maintain a balance of power in the Near East” (Kuniholm, 1990: 202). Though United States with global economic and strategic interests being the sole superpower on globe, yet Iran, having a strategic location between Middle East and Central Asia is too important- a regional power to be neglected. Despite mutual interests and potentially resolvable points of contention between the world’s superpower and a major regional power, Washington and Tehran lack official diplomatic relations, pursuing their strategic futures separate from one another (Bahgat, 2009).

Iran-US Relations in Historical Context

The geopolitical dynamics of South-West Asia have seen the American presence during the 19th century as a countervailing force to balance the Soviet pressures (Ali, 2008: 119). Though US-Iran relations existed in the last quarter of the 19th century yet the “Real American Engagement” with Iran dates only from World War II. Iran had remained neutral during this war, yet Britain attacked it in August 1941 (Bakhash, 2009).

Pre-Dominant Considerations in Iranian Attitude towards Major Powers

There have been three predominant considerations throughout the history which in fact dominated the Iranian attitude towards the major powers which are;

1. **Support by Major Powers**-The support extended to Mohammad Reza Pahlavi Shah (1941-79) by the major powers
2. **Foreign Policy**-Consideration was linked to the internal function of the foreign policy. The necessity of an indefinable external enemy that could be a means to retain the revolutionary momentum.
3. **Threat Perception**-The third consideration had been the threat-perception which foreign policy -objectives seek to “contain and overcome” (Zabih, 1982: 168).

When Iran came under Islamic regime, its perception was clearly changed. After Shah, the Iranian decision makers pursued three discrete foreign policy interests in the Middle-East which were;

- a. Containment of Soviet Union
- b. Security of oil route and later flow of petro dollars to the United States and its allies
- c. Preservation of the state of Israel (Zabih, 1982: 134)

Thus the “policy formula came to establish a close ally/mentor relationship with Middle Eastern regimes that limited their hostility to Israel largely to the rhetorical level, which was anti-communist and that modernized in a tightly controlled manner”. Under Pahlavi, it acquired a relationship of special significance. In 1977-78, when negotiations in Camp David were in progress, the pro-Soviet state of Algeria, Lybia and Syria being isolated, American foreign policy objectives seemed to be nearing success in the Middle East. All this was altered with the culmination of the Islamic revolutionary movement of Iran (Ali, 2008: 118-119). This identity highlighted the ferocious sense of independence of the Iranian people which helped them in surviving foreign domination. As Iran surmounted two wars (1804 and 1812) by Tsarist Russia, therefore in order to “defy imperialist pressures, the Iranian government established diplomatic relations with the US in 1883, and the Iranian parliament hired an American financial expert, Morgan Shuster, in 1911, to reform the foreign-dominated finances of the country. British and Russian machinations, however, compelled him to leave Iran”.

History of Long-Strained Relations

A brief history of the long-strained relations between the United States and Iran can be discussed under following headings.

Repercussions of World War II

With the outcome of World War II and start of the Cold War, Iran was considered as a barricade against Soviet expansion and a source of stability in the oil-rich Persian Gulf by the US. Therefore, it tried to develop the relationship based on friendship with Shah Pahlavi, unless Muhammad Mossadeg was appointed Prime Minister by Pehalvi in 1951 who nationalized Iran's oil industry. But he was soon overthrown by a CIA-backed coup "Operation Ajax" in 1953 and Shah was restored after a short exile. The impact of Mossadeg's overthrow was very much significant.

- **Promoting the Royal Autocracy-** Shah wanted to get assure that the way he was overthrown, would never happen again and hence the "Royal Autocracy" in the country raised
- **Enhanced Trust on the US-** Shah' s trust on US got strengthened and unshakeable and thus was provided with all forms of support and aid
- **American Hold Over Iranian Oil-** This political shift in Iran helped the US in getting hold over Iranian oil and hence reallocated British production shares to American companies. These corporations obtained 40% of Iran's oil, Anglo-Iranian Oil's (the British corporation later renamed British Petroleum) share was reduced to 40%, and French and Dutch companies acquired the other 20% (Everset, 2007). Still all this shift did not bring any good to Iranians. This US involvement had twin-edged impact;
 - The thought that US was unlike the former imperial powers strengthened even in the opposition, including Mossadegh's own party, the National Front.
 - The US was being perceived in another light as it had been earlier observed as sympathetic of Iran's national interests.

Rise of Nationalists Governments

During the eras of 1950s and early 60s, the nationalists' governments in the Middle East and Asia were on rise. During late 1960s and 70s, these trends continued yet till 1979s revolution (especially when Iranian interests matched well with American foreign policy). Therefore, Shah started feeling isolated in this scenario. This situation caused much tension for USSR and thus Iran immediately joined the Baghdad Pact in 1955 (a pro-western defence alliance between Turkey, Iran, Pakistan and the United Kingdom), in order to put a check on the spread of communist and promote peace in the Middle East (Bakhash, 2009).

During the next quarter century, Shah received so much aid from the US and also helped Iran in establishing Iranian intelligence agency. This American aid also helped Iran

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in boosting its economy and oil export as well. Although Israel was recognized by Shah as a “prevailing” figure in Middle East yet it refused US administration for lowering the petroleum price in 1970s. This was the reason that in the closing stage of Shah’s power, the US administration greatly condemned the deteriorated human rights’ situation and crackdown on democracy.

1979 Revolution

It was the year 1979, when Iranian faced a revolution which overthrew Shah AND American domination in Iran as well. Ayatollah Ruhollah Khomeini (1979-89) came back from exile and got hold of country, declaring the US, the "*Great Satan*" whereas America took Iran as a member of "*Axis of Evil*". During the same year, 52 Americans were made hostages. The US did freeze billions of dollars in Iranian assets stored in the United States. This led a breach between the relations of both countries and therefore, the US ended diplomatic relations with Iran.

Iran-Iraq War- 1980

On September 22, 1980, Iran was attacked by Saddam Hussain, Iraq's President (1979-2003) with American support. This war continued for eight years, which brought immense political and economic fallouts, leaving an aching legacy which undermined and ruined both countries. Almost half million people were killed. In the aftermath of this war, Iran involved itself in Lebanon's civil war, providing support to Hezbollah. The new *Shiite* group was blamed for the 1983 bombings of the US Embassy in Beirut and the Beirut barracks of the US Marine Corps. The two bombings killed more than 250 Americans. Iran placed underwater mines in the strategic Persian Gulf. The US retorted by targeting Iranian oil installations in 1987 and 1988 (http://abclocal.go.com/wabc/story?section=news/national_world&id=9337753). The two countries approached an outright war. In July 1988, the US erroneously downed an Iranian passenger jet flying above the Strait of Hormuz, while Iran-Iraq war reached a cease-fire just two months later.

Iran-Contra Affair (1983-88)

The *Iran-Contra Affair* caught up a covert foreign policy operation which was directed by White House officials in the [National Security Council](#) (NSC) under US President Ronald Reagan (1981-89). There were 2 main objectives of this operation;

1. The US wanted to get release of its hostages in Lebanon and owing to that reason it sold arms to Iran.
2. It wanted to deflect the profits unlawfully from these sales to the Contra rebels fighting for overthrowing the Sandinista government of Nicaragua.

In 1986, this covert operation was exposed and hence generated a 'legal and political' chaos that shook the Reagan administration, the worst scandal during his administration. Though various investigations were started yet did not end up until 1993 (<http://legal-dictionary.thefreedictionary.com/Iran-Contra+Affair>).

Iran Blamed for Sponsoring Terrorism

During 1990s, Iran was blamed by the US for sponsoring terrorism in the world. Iran and its proxy, Hezbollah, were held responsible for a 1992 attack on the Israeli Embassy in Buenos Aires, Argentina, and an attack on a Jewish community centre there two years later in 1994. Until 1995, Iran remained under the blame game of sponsoring terrorism and it was considered to pursue the Weapons of Mass Destruction (WMD). Therefore Bill Clinton expanded US sanctions against Iran. He banned all American connection with the Iranian petroleum industry. In 1997, all American investment in Iran was proscribed as well as what little US trade remained with the country. Clinton also encouraged other countries to do the same (Jones, 2013).

Iran Elects New President

On November 23, 1997, Mohammad Khatami (1997-2005) was unpredictably won the Iranian Presidential elections. He was considered as a new "agent for change" and to some way a "Second Revolution" (Fairbanks, 1997). Khatami invited US to start informal and cultural exchanges. Subsequently, US lifted up sanctions on rugs and pistachio. Nevertheless, the harmonious relations in due course were hindered. Iran's conservatives remained disinclined to make more compromises and the US was likewise reluctant to bargain the terms of discussions together with shifts in "Iranian policy on Israel, nuclear energy, and support for terrorism" (Pollack, 2004: 15).

Post-9-11 Globe

Iran-US relations did not show any improvements during Bush era (2001-2009) and was regarded as "*Axis of Evil*". In 2003, Iran made efforts to normalize the relations with US administration yet Bush stuck to his stance that Iran was threat for the whole world and not only to the US. The events of 9/11 brought the whole world into a new shape and the politics around the globe shifted all of sudden. Taliban and Al Qaeda were considered the ideological enemies by Iran which showed the "commonalty of interest" between Iran and the US. So, after 9/11, Iran telegraphed US administration for improving relations but it was a missed opportunity by the US then. Yet when America ousted Saddam in 2003, Iran was held responsible for supporting *Shiites* for killing US soldiers. The US abstained itself from the European diplomatic efforts to resolve the Iranian nuclear standoff.

Ahmadinejad's Arrival

In 2005, Mahmoud Ahmadinejad became a new Iranian President (2005-2013) with a hard stance on Israel, demanding for its elimination from world map. According to him, the *Holocaust* was not more than a fairy tale. In 2006, Ahmadinejad wrote an 18-page letter to Bush focusing on “religious values, history and foreign relations”, revealing the key contradictions of US foreign policy. It was considered to be first step of contact from Iran since 1979. He held America responsible both for 9/11 and chaos in Iraq. It was time when in US itself, the anti-war sentiments had been on rise. In such circumstances, the advisers in Bush administration started depreciating war and joined nuclear negotiations between the world powers and Iran. Concurrently, the rallies were started against Iran's nuclear activity. The diplomatic attempt yielded three rounds of UN penalties between 2006 and 2008 demanding Tehran to discontinue the enriching of uranium (under UN Resolution 1696, Article 40 of the UN Charter) and exporting weapons. Iran was to face restrictions in its banking, trade and travelling.

Obama –The New US President

Obama assumed the office of US President in 2009 (first tenure till 2012). The relations with Iran remained tense as Ahmadinejad had been elected president for the second term. The issue of ‘enriching Uranium’ remained unresolved. Under Security Council Resolution 1929, sanctions were imposed against Iran. Besides, US and Israel continued secret efforts to disrupt Iran's nuclear program. When in 2011, the civil war started in Syria, Iran supported it while US was in its opposition. Simultaneously, there was a lot of pressure on Obama over Iran’s nuclear programme and accordingly, the threat from Israel persisted. The sanctions imposed on Iran crippled Iranian economy yet Ahmedinejad remained strict on his stance with the US.

Iranian Presidential Elections-2013 & Emergence of A New Era Between Iran-US Relations

Iranian Presidential elections were held on June 14, 2013. This election was much critical because of;

- Iranian apprehensions over nuclear programme
- Sanctions against Iran by the West
- Israel’s threat of military strike
- Ongoing unsteadiness in Middle East (Dehghan, 2013)

The new Iranian president Hassan Rouhani (for a 4-year term) has expressed flexibility to the West.

New Round of Nuclear Talks Convenes

The ice melted between both countries after three decades when US President Obama rang up Iranian President in September 2013. Yet the talks were arranged in Geneva in early November which aimed at finalizing an agreement over Iranian nuclear issue. It was decided that the talks would be taken up soon again.

Geneva Deal-November 24, 2013

This deal has taken place in the backdrop of the surreptitious diplomacy (held in Oman) between Iranian officials and a senior Obama administration official, Deputy Secretary of State William Burns. There had been five meetings since March 2013, implying the first contacts came three months before the Iranian Presidential elections of 2013. It has not yet been made clear which Iranian officials had taken part in the talks (Geran & Warrick, 2013). On 24th November, 2013 in the early hours at 4.30 am, the P5+1, i-e; Iran along with the six world powers, 5 of which are permanent members of UN Security Council (US, France, Britain, China and Russia) along with Germany finalized an interim deal that aimed at cutting back Iranian nuclear programme for the six months. While in exchange Iran will be given initial sanctions relief, signaling the start of a game-changing rapprochement that would trim down the peril of a wider Middle East warfare (Hafeezi & Pawlak, 2013).

The agreement provides for Iran to freeze or roll back its uranium enrichment programme to the levels which would provide assurances that Tehran could not enrich to weapons grade. In particular, Iran promised to limit uranium enrichment to 5% which can provide reactor fuel, for the six-month period. And it is to dilute its stockpile of uranium enriched to 20% which can have medical uses. Tehran also agreed to halt construction of its heavy-water plutonium reactor at Arak which, on completion next year, could provide a second pathway towards a nuclear bomb. Iran has always insisted that its nuclear programme is purely civilian.

In return for the concessions by Iran, which also agreed to more intrusive inspections by the UN watchdog, the IAEA, some \$7bn in international sanctions are to be lifted, including on gold and precious metals and aviation spare parts. Moreover, \$4 Billion in Iranian oil reserves from frozen accounts will be released. Iran will also have to freeze its enrichment power by not installing any more centrifuges, parting more than half of its existing 16,000 centrifuges inoperable (Borger & Dehghan, 2013).

Harsh Screening Safeguards

Though Iran has committed to new transparency dealings yet the harsh screening remains there as;

- The inspectors of International Atomic Energy Agency (IAEA) at Natanz and Fordow will have permission to inspect daily, contrary to their weekly-based previous practice.

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- IAEA will be having right of entrée to centrifuge assembly and the manufacturing services which according to US, will help in safeguarding against any attempt to erect a covert enrichment capability.
- Iran will be liable to give earlier notice and information with regard to any new nuclear facilities.
- Iran will have to make available the restructured design information on the Arak Reactor and more recurrent on-site inspections at Arak.

Just the once these limitations are in place, Iran would get it tremendously tricky to formulate a hidden dash to make nuclear weapons using its major facilities. Over the six-month span of the agreement, however, Iran will remain under severe international sanctions and additional Iranian financial assets — perhaps as much as \$15 to \$20 billion worth from oil revenues — would be freed as a result of ongoing financial sanctions, providing world powers with substantial leverage in ongoing negotiations (Kimball, 2013).

Interruptions in Nuclear Talks

The agreement runs for six months while negotiations continue on a comprehensive final deal. But both sides were able to declare victory, while US and Iranian officials stressed that today's agreement was only a "first step" (Geran & Warrick, 2013). Though the deal is in temporary phase of six months yet new sanctions are being imposed on Iran by introducing the Nuclear Weapon Free Iran Act of 2013 by 26 American senators. In the words of Abbas Araqchi, the Iranian Deputy Foreign Minister, "We are weighing up the circumstances and Iran will retort accordingly to the new sanctions imposed on 19 companies and individuals. It is against the spirit of the Geneva deal" (Dahl & Croft, 2013).

Iran-US relations have never been that important as they are today. But it can only be successful if the two countries take it as their "common interest" in terms of "checking the rise of Al-Qaeda in Afghanistan and Iraq, evading a nuclear arms race in the Middle East and securing uninterrupted flow of Persian Gulf oil to world markets" (http://uvamagazine.org/articles/the_dilemma_of_US_iran_relations).

Impact of Geneva Deal on Middle East

The US intelligence community considers that Iran has, since 2007, had the technical ability to generate nuclear weapons however that it has not yet preferred to do so. If it made such a choice, according to the US assessment, it would take Tehran "over a year" to make a bomb (Kimball, 2013). Israel and Western-allied Gulf countries led by Saudi Arabia form an unlikely alliance in their opposition to the deal (<http://america.aljazeera.com/articles/2013/11/24/israel-s-netanyahucondemnsnucleardealwithiran.html>). Many Middle Eastern countries have shown their fears and reservations in case the sanctions on Iran are either lifted up or given relief which in turn damage their security interests and economies. According to them, the Obama administration has been entangled in a multifaceted game of global politics (Demas, 2013).

As the Obama administration is considering to ease out sanctions against Iran, this is just the latest sign of improving relations between the US and Iran (*The New York Times*, 2013, October 17). If now as a result US to a real sense lifts up sanctions against Iran, it would itself benefit a lot, making an improvement in its economy with an open market, as Iran ranks 4th in terms of largest proven oil reserves (154.58) in the world while its total oil supply in 2012, (thousands barrels per day), 3,854.4 (http://gulfbusiness.com/2013/04/top-10-countries-with-the-worlds-biggest-oil-reserves/#.Uq_VutLi13g).

The first nuclear deal with Iran in almost a decade has already jolted strategic alliances around the Middle East region, where unlikely bedfellows Israel and Saudi Arabia have joined forces to voice their opposition. It could also lay the groundwork for future cooperation between the US and Iran which have not had diplomatic relations since the 1979 Islamic Revolution, and the Iranian hostage crisis. Israeli Prime Minister Benjamin Netanyahu said that This is not a historical agreement, but a historic mistake,” and but his failure to prevent it clearly deals Netanyahu a political setback.. According to him, the world became a much more dangerous place (<http://america.aljazeera.com/articles/2013/11/24/israel-s-netanyahucondemnsnucleardealwithiran.html>). Netanyahu sees the deal something which effectively removes the threat of an American military strike. He believes that Iran is playing for time and will pursue nuclear weapons at its own pace. Finally, Netanyahu knows that he cannot defy the US and take any military action during implementation of the deal and while negotiations on a permanent agreement are underway, which would allow Iran to cheat and potentially reach the breakout point.

Netanyahu's priority in dealing with President Obama from his inauguration in 2009 onward had been to persuade the US to prioritize the Iran nuclear issues over the Israeli-Palestinian conflict. He has largely succeeded in that goal, with Obama having backed off from applying pressure on the Israelis over settlements and other issues related to the Palestinian file and focusing on organizing a major international sanctions effort against Tehran. But while this shift has left Netanyahu largely free to set his own terms for engagement with the Palestinians and to promote the growth of settlements in occupied territory, it has also had unintended consequences: From the moment Obama recognized the opportunity for a diplomatic solution to the nuclear standoff presented by the election of the more pragmatic President Hasan Rouhani in Iran last summer, Netanyahu has found his hard line increasingly marginalized (Reider, 2013). Feeling vindicated, Netanyahu might try to persuade the US to issue an ultimatum demanding that Iran dismantle much of its advanced nuclear facilities within a specified period of time, impose new crippling sanctions, and openly prepare for military operations. Should his efforts fail in this regard, Israel is likely to make visible preparations to strike Iran on its own in order to increase the pressure on the US to take decisive action. Netanyahu has declared that Israel will do anything in order to put off Iran from acquiring nuclear weapons, no matter if it has to proceed unaided. Moreover, Netanyahu has declared that Israel will do anything in order to put off Iran from acquiring nuclear weapons, no matter if it has to proceed unaided.

As far as “Saudi Arabia (Iran’s most direct contestant for oil), Qatar (having an access to approximately [20 times more gas](#) than Iran owing to their exclusive access to joint gas

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fields in the Persian Gulf), the United Arab Emirates (getting benefit from its position as a “[middle man](#)” for trade between foreign countries and Iran), and Turkey (acted as a channel for land shipping of goods to and from Iran) are concerned, they could all undergo economic fatalities from an improvement in the Iran- US relationship. Each of these countries has obtained distinctive economic advantages over Iran, and for that they must be appreciative to the global sanctions. Therefore, these countries fear that all these economic benefits might fade away if the US presses on the elimination of sanctions against Iran” (Maclean, 2013).

Saudi Arabia has shown for the first its melancholy over US foreign policy in the region regarding Iran, Syria, and Palestine Issue. Saudi Arabia had even in the past remained anxious over close relations of US with Iran in 1960s and 70s during Shah’s period. Saudi Arabia and the smaller Gulf monarchies are in precisely the same structural position vis-à-vis the US and Iran. It is strange fact that when the US intimidates Iran with military strikes over the Iranian nuclear program, the Gulf States feel panic that Iranian vengeance will be against them. When the US shows a gesture of willingness to talk with Iran, they become anxious that Washington will daub Tehran as the “regional hegemon”. The more it appears that Washington is merging with Iran, the more imperative keeping up the American security knot will be to the Saudis. It remains unquestionable that the American policy in the Persian Gulf for decades has been to thwart any other power from presuming a leading position in the global oil space. The United States has bases up and down the Arab side of the Gulf. The Obama Administration is not about to twist regional control over to an Iranian command with which the United States has not even had diplomatic relations for over more than 30 years and with whom deep levels of distrust hangs about. Still this situation will not bring any bilateral crisis between Saudi Arabia and the US

As the United States goes ahead on the Iranian front, it is essential for the Obama Administration that it may assure Saudi Arabia about permanence of American strategic goals in the Gulf. Yet neither the “overblown expectations nor embellished suspicions of other actors should divert the Administration from its cautious but promising outreach to Iran” (Gause, 2013).

In addition, some Gulf Arabs feel upset that a United States increasingly self reliant in energy thanks to domestic shale gas might be less committed to safeguard the Strait of Hormuz, the thin artery through which 40 % of global sea-borne oil exports pass. Russia, on the other hand, could take a huge economic hit if the sanctions are dropped. Russia, another country with large oil reserves, was able to strike up [business deals](#) with countries like Turkey who could no longer export enough of the natural resource from Iran. Russia also benefited from the strained relations between Iran and the US by winning the contract to build an Iranian nuclear plant, a contract that the American company Siemens originally held. While sanctions against Iran affect the US and Russia, it is Iran’s Middle Eastern neighbors that will experience the most change if the US-Iran relationship continues to develop.

The “improved relations between the US and Iran wouldn't merely have an economic impact on the Middle East. Israel takes Iran as a threat to its security. Therefore, if US-Iran

relations continue to perk up, Israel could find itself torn between supporting an ally and continuing to defend itself from an enemy. Though the potential to patch up the busted relationship between the US and Iran could bring about success yet it may also presents a innumerable tribulations; different economic dynamics and the stability of the Middle East lie in the balance. As the history disclose, it would be revealed how one relationship can change the economy and relationships a whole region (Demas, 2013). For some Gulf Arab states, which see Tehran as a “regional scalawag”, and for Israel, which regards [Iran](#) as a “fatal menace”, the Geneva agreement means they have been unsuccessful to deter Washington from a track they believe will end in tears. Experts say Gulf Arab countries will make an effort to piece mutually a diplomatic and security approach with like-minded countries to lessen their susceptibility to a resurgent Iran now enthusiastically thinking a future free of crippling sanctions (Maclean, 2013).

Perks of the Deal

The US administration has been convinced that Iran’s role as a vital regional power can not be negated any more and it could play a decisive positive role in the days to come in terms of regional stability. President Hassan Rouhani’s foreign policy team has presented a new face of Iran to the outer world, and the United States and other longtime opponents are willing to check this outreach. Laicie Heely, a fellow at the Truman National Security Project, explains what signals Tehran is sending by keeping its uranium enrichment levels below the red line drawn by Israel (Rezaian, 2013). According to the critics of the deal, the lenience and lifting up sanctions from Iran will help in developing Iranian economy and bolster its Islamist rulers to accelerate support to *Shi’ite* Muslim allies in Arab countries. While in contrast, followers of the deal articulate that a rapprochement between two powers so long at odds could help in the stabilization of a region that has since long been under commotion. They are of the view that it will also help in diminishing the sectarian strains between *Shi’ites* and *Sunni*. The distrust has been reciprocated, as it was in the “post-World War two gridlock between the West and the Soviet Union” (Maclean, 2013).

Therefore, it is being estimated that “lifting sanctions against the country could [reduce the world price](#) of crude petroleum by 10%”. This reduction would salt away the US approximately \$80 billion per annum. Besides, the American companies that are functioning abroad will get much benefit by the opening of Iranian market foreign investment. While those who are against this deal assert that if the sanctions are lifted up, the situation might permit Iran to build up nuclear weapons, which could cause oil prices to double (Demas, 2013). The US has its interests - Iran is a profitable market. Iranians require a lot of infrastructure for rebuilding that could produce billions of dollars for US and UK oil companies (Maclean, 2013). Inevitably the US-Iran relations are connected to the energy interests and security of the global community. Over 20% of [world oil supply](#) is carried out daily through the Strait. If the previous uptight relations were to soar between the US and Iran, Iran could strike back by trying to seal or interrupt traffic in the [Strait of Hormuz](#). This, in turn, might end in an armed conflict between the US and Iran, which certainly will

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engage the Middle Eastern Region as a Whole (<https://strausscenter.org/hormuz/u-s-iran-relations.html>).

With the historic Arab power centers of Egypt, [Syria](#) and Iraq all watered down by uprisings and sectarian friction, a new beginning with Tehran has appeared as an alluring prospective triumph for a US administration in quest of a foreign policy victory (Maclean, 2013). Though Geneva talks are considered to have its own perks for the world politics yet there are many who oppose them vehemently. They are of the view point that US is an open enemy to the Islamic world and thus nothing good should be expected from it.

The Washington Post (2013, October 17), published a statement of Mohammad Shabani, a political analyst based in Tehran that “Though the debate can be refined into the question of whether Iran should restore relations with the United States, the variety of answers reveals the intricacy of the problem. Nobody has any fantasy about the intentions of Western states. Conservatives here accentuate inflexible talk and unyielding confrontation in dealing with these aims, while reformists favor engagement”.

Reshaping the Balance of Power in Middle East

The reason the Israelis and the Saudis and others are so extremely unhappy about this deal is not because they think “it’s harmful on the nuclear side, they are really afraid that with this deal, Iran is no longer isolated and no longer has an American gun to its head. They don’t want Iran as a player (in the region). They want Iran isolated and out of the picture” (Kutsch, 2013).

On the outset, it seems quite difficult that this short-term provisional deal will tilt the balance of power in the Middle East towards Tehran after two years of Arab spring that has undermined the leading Arab nations. The Geneva agreement unfastens the means for melting the US-Iranian conflict that has lasted almost as long as the US-Soviet Cold War, disturbing Israel and Gulf Arab rulers who fear a new regional hegemony intensely unreceptive to their interests. The deal to “hold back but not scrap Iranian uranium enrichment, which the West has long believed was meant to develop a bomb, has implications far beyond weapons proliferation in a war-scarred region critical to world oil supplies” (Maclean, 2013).

Post Geneva: Prospects and Fears

This agreement is being considered as the most important foreign policy achievement of Obama’s presidency and the most significant agreement between Washington and Tehran since the 1979 Iranian revolution.

Six-month life of the Geneva deal is intended to be used to negotiate a comprehensive and permanent settlement that would allow Iran to pursue a peaceful programme, almost certainly including enrichment, but under long-term limits and intrusive monitoring that would reassure the world any parallel covert programme would be spotted and stopped well before Iran could make a bomb. That agreement would lead to the lifting of the main sanctions on oil and banking that have all but crippled the Iranian economy, and the

eventual normalisation of relations between Iran and the US for the first time since the 1979 Islamic revolution (Borger & Dehghan, 2013).

Together with 33 years of reciprocated demonization and antagonism since revolution, this deal specifically addresses the central problem of mistrust between the West and Iran. The American President Obama is of the view point that it is Iran that has to bear out to the world that its nuclear programme is going to be nonviolent and passive. Iran has already mastered the critical technology of uranium enrichment, but has not gone beyond 20% grade while making a bomb requires 90% of uranium enrichment– but for that, Iran would have to break out of UN controls which it has shown no sign of doing.

However US officials noted that this decision was “reversible”, depending on Iran’s compliance, and that sanctions imposed on the oil and banking sector would not be affected at this stage (Geran & Warrick, 2013).

In the “zero-sum politics of the Middle East, what’s good for your enemy is always considered bad for you”. Yet this deal is equally good for the international community, Iran, Us and Israel.

If implemented, it will push Iran farther from the ability to “break out” quickly from the nuclear Non-Proliferation Treaty. Even though low-level uranium enrichment will continue, Iran has pledged not to stockpile it and to stop refining uranium to 20 % U-235 – very close to weapons grade. Iran will convert the 200 kilograms of 20 % uranium it has amassed to a form that cannot be easily enriched further. The deal will also freeze most work at a heavy water reactor called Arak that if completed, could yield plutonium (another potential bomb fuel). And it will provide the IAEA with unprecedented daily access to Iranian enrichment plants as well as potential answers to questions about alleged past weapons research at military sites. All of this has long been sought by the international community in vain. Iran will still remain under US sanctions for the foreseeable future for its support of groups such as Hezbollah which the US regards as terrorist and for abusing the human rights of the Iranian people. European sanctions related to those areas will also remain in place. But the nuclear agreement is an entry point into further discussions that could lead to a more constructive Iran externally and a less authoritarian regime at home. It is easy for Israeli, Arab and congressional critics to complain that the agreement does not “dismantle” Iran’s nuclear infrastructure but the maximalist deal that would have satisfied these hardliners was simply not obtainable in a first phase. Supreme Leader Ayatollah Ali Khamenei gave Rouhani and his talented negotiating team “heroic flexibility” to reach an agreement, not *Carte Blanche*. Rouhani was not going to be able to stop all uranium enrichment because he was heavily criticized by Iranian hardliners for suspending parts of the program from 2003-2005 – when the George W. Bush administration sat on the sidelines and Europeans negotiated with Iran – and getting very little in return. (It is not true, as critics have charged, that Rouhani “cheated” so Iran could continue other nuclear work; his agreement with the Europeans suspended only the enrichment program.)

The next few months will show whether Iran – and the United States and its partners – can fulfill their promises or not– which will require that domestic opposition hold its fire. If the deal works, the prospect for another Middle East war and all the horror that entails will recede, the US and Iran can begin to repair a breach of 34 years and there could be benefits

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for squeezing the conflict in Syria as well (Slavin, 2013). Many observers think that Iran could play a dynamic role to stop the civil war in Syria. While the US and Russia are already talking about Iran's insertion in the forthcoming Geneva II conference to be held on January 22, 2014. Though on one hand, Iran desires to manipulate its control along with its strategic interests yet on the other hand; Iran will maintain to finance and politically support Hezbollah and use it as the channel to protect its interests in Lebanon and, by extension, in Syria.

Both the United States and Iran are eager for a deal immediately, even if it is an interim arrangement for six months and will require more difficult and detailed negotiations at a later time. Hard-liners in both countries are waiting at the gates to sabotage the process. The Islamic Revolutionary Guards Corps is profiting from international sanctions, and it is not in its interest if sanctions are lifted — which is the ultimate goal of the Iranian negotiators, supported by President Hassan Rouhani. Supreme Leader Ali Khamenei also supports the process, with some reservations.

Iran is running out of foreign currency reserves as a result of sanctions. Tehran must once again be able to sell its oil on the vast world market (not just to a few governments unfazed by sanctions) and thus needs a lifting of the oil embargo imposed on it. Also, due to international banking sanctions, Iran cannot do business in the international sphere. Although these sanctions would not be lifted immediately if a deal is struck, this is Iran's ultimate goal. The United States is no longer perceived to be Iran's major bully. Now, Israel and France are filling that role. In responding to the outcome of the nuclear negotiations, the Iranian state media blasted these two countries. This is a huge historical shift and indicates there is a fragile consensus to try to reconcile with the US, the country blamed for most problems afflicting Iran. Now that Washington is perceived to be in favor of an interim deal and, ultimately, a comprehensive agreement, this deprives Iran's hard-liners of perpetuating their ideological propaganda that relies upon anti-Americanism. France and Israel — the naysayers — and their supporters in the US Congress are clearly isolated as the nuclear negotiations continue. The question now is, “whether Iran will be able to accept the additional compromises that will be necessary regarding the Arak reactor, to keep it from providing a path to a plutonium bomb. Secretary of State Kerry spoke about the interim deal freezing Iran's program, which is critical. It should be known that it would be a freeze on capabilities, not production, but even the freeze on capabilities is not absolute if Arak construction is permitted to progress to the point of preparatory startup operations that are in train for the next six months. Details have not yet been released, but there are undoubtedly other ways that the deal that was in play in Geneva needed to be improved”.

No conclusion can be represented unless all the details appear on the scene. If the doubts and suspicions of France's are effectively dealt with, the things will become much easier. The progress made in the last three months is much more as compared to the last three decades. Today it is the need of the hour that both US and Iran seek a peaceful solution to their clash and diplomacy is the only practical conduit that links status quo distrust to future cooperation and it requires a constructive diplomacy (<http://america.aljazeera.com/articles/2013/11/13/is-iran-nuclear-dealstillpossibleaftergeneva.html>).

The Geneva deal opens the way for negotiations on a comprehensive, final-phase agreement to further roll back Iran's overall enrichment capacity; blocks the plutonium pathway to the bomb; and resolves outstanding questions about possible military dimensions to Iran's previous nuclear research work — in exchange for ending all nuclear-related sanctions. The key question is the extent to which Iran is willing to reduce the capacity and the scope of its uranium enrichment. The Nov. 24 agreement states that Iran's enrichment program should be "consistent with practical needs," meaning its capacity and stockpile of material should not exceed the fuel supply needs of its energy-producing nuclear reactors. Those are currently close to zero, but could grow in the coming years.

Iran will insist on retaining some uranium enrichment capacity, to which it claims a right as a signatory to the NPT, which codifies an "inalienable right to the peaceful use of nuclear energy." The US and some other P5+1 states do not believe that states have an "right" to uranium enrichment, a technology that can be used to produce bomb material, especially if they may have engaged in nuclear weapons-related research. Thus, the two sides did not resolve the nature of Iran's nuclear energy rights, but resolved to negotiate practical limits and further safeguards on Iranian enrichment activities. Given Iran's limited need for enriched uranium to fuel energy production, a reduction in Iran's overall enrichment capacity — from 10,000 operating centrifuges at two sites to 3,000 or fewer at one site — would be more than sufficient for Iran's potential needs. That, together with limits on Iran's enriched uranium stockpile, would increase the time-frame necessary to produce enough material for one bomb to six months or more. The P5+1 states would also like Iran to abandon the unfinished Arak reactor, which represents a long-term proliferation threat, but Iran will likely resist such an outcome. One compromise might be to convert Arak to a more proliferation-resistant light-water reactor, or agree to verifiably remove the spent fuel for disposal by a third country — possibly Russia — to prevent it from becoming a source of plutonium. To secure a "final phase" agreement, the P5+1 will need to further scale back the oil and financial sanctions that are devastating Iran's economy, which will require action by the European Union states and Congressional approval of revised sanctions legislation. Negotiating an agreement along these lines will be difficult. Implementing those steps will be even harder (Kimball, 2013).

The parties have six months to negotiate a long-term agreement; and both countries seem ready to reach a conducive ending analysts weigh in on the challenges they face yet it can be resulted in a conducive way if a direct Iran-US bilateral diplomacy channel is promoted. If US administration does not get benefit of Iran's flexibility, it might wind up dealing with the stiffness of Iranian hard-liners in six months. As the next six months are very much crucial because the United States will have to make several hard options like, 'lifting up sanctions, working with Iran on regional security issues and mapping out a path for Iran to be treated like any other member of the Nuclear Non-Proliferation Treaty (NPT)' (<http://america.aljazeera.com/articles/2013/11/27/interim-deal-withiranwillitlast.html>)

Although the Obama administration claims that Iran agreed to an unparalleled, pushy inspection regime, Iranian sources maintain that they have agreed only to "[managed access](#)" and have yet to accept unannounced inspections of their most sensitive underground plants at Fordo (near the city of Qom) and the Parchin Military Complex, where they are

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suspected to have experimented with nuclear devices. The more important question is, whether it will lead to a permanent accord that will might prevent Iran from acquiring nuclear weapons or not? This is one question that no one can answer as yet with any certainty.

Conclusion

This deal has mottled Obama's integrity to its Arab friends as they have been calling the deal as 'Misguided Political Strategy'. Finally, the hardliners, especially the Revolutionary Guard, have already made it known that relations with the US will remain unreceptive and that they will be looking for any display of weakness by President Rouhani to undermine the deal. They insist that Iran has demonstrated great flexibility and in return all sanctions should be removed permanently. Although they will refrain from openly challenging the deal as long as Ayatollah Khamenei continues to support it, they will change course once Khamenei decides that it is no longer in Iran's best interest to stick to the deal. They have the means, the ability and the network to mobilize hundreds of thousands of people at short notice, which is beyond the means of Rouhani. So whether it is a good or a bad deal, only time will tell.

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