



## Iranian Power Projection Strategy and Goals

By Farideh Farhi

### SUMMARY

The Iranian leadership has not reevaluated its regional posture after the Joint Comprehensive Plan of Action (JCPOA). The reasons are many. Beyond the government's ideological frame, dramatic volatility in the region, uncertainty about the direction of U.S. policy, and domestic political and power dynamics all play a role in Iran's unchanging defense posture. Seen broadly, the Iranian leadership feels it must continue aggressively to counter efforts to destabilize Iran and to ensure security at home by projecting power and (increasingly) fighting the enemy abroad.

In the post-JCPOA environment, the United States has two options. It can treat the JCPOA and the channels of communication that it has opened as a one-time effort that failed to transform the Islamic Republic's behavior, externally or internally. Or it can treat the JCPOA as a successful transaction with a significant, if difficult, regional player, and seek to draw useful lessons from it for the future. ■

We are faced with an enemy who does not want to give our people the right to defend themselves. He is actually saying, "You should remain defenseless so that we can attack your country whenever we want. . . ." The enemy should understand that if he attacks, he will receive a severe blow and that our defense includes counterattacks as well.

—Ayatollah Ali Khamenei, August 28, 2016<sup>1</sup>

The Joint Comprehensive Plan of Action (JCPOA), which Iran agreed to along with six other nations on July 14, 2015, was intended to remove a key irritant in Iran's foreign relations. Although the agreement was multilateral, it represented a key breakthrough in U.S.-Iranian ties, which had been strained since the earliest days of the Islamic Revolution. In the years since 1979, the U.S. government viewed its Iranian counterpart as one of the preeminent threats to peace and stability in the Middle East. The Iranian government, for its part, viewed the U.S. government as an irredeemably hostile force that posed an existential challenge to the Islamic Republic.

Although many expected the JCPOA to improve U.S.-Iranian ties, Ayatollah Ali Khamenei's words, spoken more than a year later, suggest that the Islamic Republic of Iran remains deeply insecure. Khamenei's statement, taken at face value, suggests a desire to deter the United States. Iran's effort at aggressive deterrence occurs simultaneously with a U.S. effort to deter Iran. The mutual suspicion need not lead to violence. A successful U.S. strategy toward Iran—and a successful Iranian strategy toward the United States—requires an understanding of the factors that animate and motivate Iranian strategic behavior.

1. "If the Enemy Attacks, He Will Receive a Severe Blow and Counterattacks: Ayatollah Khamenei," Khamenei.ir, August 28, 2016, <http://english.khamenei.ir/news/4104/If-the-Enemy-Attacks-He-Will-Receive-a-Severe-Blow-and-Counterattacks>.

### ABOUT THE AUTHOR

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One simple explanation, often proffered among many of Iran's neighbors, and increasingly among advisers to the Trump administration, is that Iran is a revisionist power that seeks to undermine Middle Eastern security. Speaking at CSIS in April 2016, Secretary of Defense Jim Mattis said, "Recognize that Iran is not a nation state, rather, it's a revolutionary cause devoted to mayhem."<sup>2</sup> Former national security adviser Michael Flynn testified to Congress in June 2015,

Iran has not once (not once) contributed to the greater good of the security of the region. Nor has Iran contributed to the protection of security for the people of the region. Instead, and for decades, they have contributed to the severe insecurity and instability of the region, especially the sub-region of the Levant surrounding Israel.<sup>3</sup>

Speaking to a joint meeting of Congress in 2015, Israeli prime minister Benjamin Netanyahu said,

Iran and [the Islamic State (ISIS)] are competing for the crown of militant Islam. One calls itself the Islamic Republic. The other calls itself the Islamic State. Both want to impose a militant Islamic empire first on the region and then on the entire world. They just disagree among themselves who will be the ruler of that empire. In this deadly game of thrones, there's no place for America or for Israel, no peace for Christians, Jews, or Muslims who don't share the Islamist medieval creed, no rights for women, no freedom for anyone.<sup>4</sup>

Yet, for all of the clarity and vitriol of these remarks, they do not provide an accurate guide either to the manifestations of Iranian policy in the Middle East or to its drivers. A more robust examination, based on a close reading of Iranian de-

cisionmaking structures and outcomes, reveals at least three alternatives.

Some observers explain Iran's posture by pointing to the country's "strategic loneliness." It has been bereft of meaningful alliances since the Islamic Revolution, and it feels both vulnerable and isolated.<sup>5</sup> Others have emphasized Iran's regional conditions: it has turmoil along many of its borders, is encircled by U.S. troops and bases, and sees extraregional powers supporting hostile neighbors. Still others believe that Iran's insecurity stems from the revolutionary state's concern about its internal challenges. Insisting on an external threat promotes an internal watchfulness that helps secure the regime.

**Despite widespread fears of Iranian aggression, the Iranian leadership sees itself as acting defensively rather than offensively.**

While there is a seductive simplicity in ascribing Iran's behavior to a voracious hegemonic drive, a closer reading of Iranian statements and actions suggests that the truth likely lies in a combination of the three explanations above. That is to say, despite widespread fears of Iranian aggression, the Iranian leadership sees itself acting defensively rather than offensively. It is seeking to deter the strong rather than attack the weak. Furthermore, its more assertive deterrent posture is a reaction to heightened threats or threat perception.

## Iran's Objectives and Power Projection After the Nuclear Deal

In Iran's contested domestic political environment, there are significant disagreements over both domestic and foreign policy. On foreign policy, however, there is broad agreement about two strategic objectives. The first is the need to enhance Iran's regional role and influence—political, ideological, and economic—in keeping with Iran's size and capabilities. Iran has long felt marginalized in regional affairs

2. "The Middle East at an Inflection Point with Gen. Mattis," Center for Strategic and International Studies, April 22, 2016, <https://www.csis.org/events/middle-east-inflection-point-gen-mattis>.

3. Michael T. Flynn, "Testimony on Iran," U.S. Congress, Joint Foreign Affairs and HASC Subcommittees, June 10, 2015, <http://docs.house.gov/meetings/FA/FA13/20150610/103582/HHRG-114-FA13-Wstate-FlynnM-20150610.pdf>.

4. "The Complete Transcript of Netanyahu's Address to Congress," Washington Post, March 3, 2015, [https://www.washingtonpost.com/news/post-politics/wp/2015/03/03/full-text-netanyahus-address-to-congress/?utm\\_term=.f31675b8528e](https://www.washingtonpost.com/news/post-politics/wp/2015/03/03/full-text-netanyahus-address-to-congress/?utm_term=.f31675b8528e).

5. Mohiaddin Mesbahi, "Free and Confined: Iran and the International System," *Iranian Review of Foreign Affairs* 2, no. 5 (Spring 2011): 9–34, <http://www.isrjournals.com/images/pdf/2-mesbahi-irfa-5.pdf>.

(not least by the effort in the last 50 years to rename the Persian Gulf the Arabian Gulf, after centuries of precedent), and it is seeking its due as a genuine regional power. Second is the desire to safeguard the Islamic Republic's sovereignty and independence in a way that is in keeping with the country's history and revolutionary experience and ideals. These two elements constitute the ideological frame in which the Iranian government makes foreign policy decisions.

Academic arguments that view Iran's internal conflicts in terms of a fight between ideology and pragmatism miss the essential role that the ideological frame plays in the country's pragmatic pursuit of security.

The United States emerges as the threat in both of these areas, pushing into the Gulf at the expense of Iranian interests and (in the eyes of the Iranian government) seeking to undermine the regime through overt economic, diplomatic, and military pressure and covert cultural subversion. In Iranian politics, these concerns create broad agreement on the need to mitigate U.S. interference in the regional and domestic affairs of Middle Eastern countries. This broad agreement is complemented by a general aspiration toward a multipolar, international order that treats Iran as a significant and independent decisionmaker in the region. Not everyone accords the same importance to the "axis of resistance," consisting of allied state and nonstate actors in Syria and Lebanon (and now even Iraq), as a means of projecting regional power. But the alliance itself is not questioned. In this context, academic arguments that view Iran's internal conflicts in terms of a fight between ideology and pragmatism miss the essential role that the ideological frame described above plays in the country's pragmatic pursuit of security. The frame determines how Iran's interests are pursued. To be sure, Iran preserves a constitutionally enshrined notion of "expediency of the system." Expediency elevates the importance of protecting the Islamic Republic and its territories over Islamic values and principles, however those values and principles

are defined. Expediency also provides a path for flexibility and compromise even regarding established redlines, as was the case in the nuclear talks. But the frame does not challenge the overall foreign policy direction and outlook that the revolution initiated.

The argument that Iran's conduct in the region has become more aggressive since the nuclear agreement is not well founded.

The argument that Iran's conduct in the region has become more aggressive since the nuclear agreement is not well founded.<sup>6</sup> In reality, not much has changed in the underlying logic of Iran's behavior. Iran has not significantly altered its asymmetric operational tactics based on its strategic capacity to build power via nonstate actors, its guerrilla warfare at sea to impede a navy-supported invasion, or its level of self-sufficiency in military hardware, especially its considerable missile technology.<sup>7</sup>

To be sure, like other countries, Iran has had to adapt and adjust to changes in its environment. Since 2014, for instance, Iran has chosen to rely increasingly on direct military involvement to protect its significant influence and interests in Iraq and Syria. But this choice has been made in the context of instability in these two countries and the success of jihadi groups in establishing territorial control in the midst of nuclear talks. In addition, despite Iran's insistence on self-reliant deterrence, its limited ability to address the threats in its neighborhood has opened the way for military coordination with global powers either directly (as with Russia in Syria) or indirectly (as with the United States in Iraq). Given the limitations of Iran's asymmetric efforts, and with the re-

6. On Iran's aggression, see, for instance, the interview with Dennis Ross, which refers to Iran's increased "bad behavior" after JCPOA. Joseph Braude, "Dennis Ross: Iran Cannot Be a Partner in the Struggle against ISIS," Majalla, September 11, 2016, [http://eng.majalla.com/2016/09/article55252308/\\_trashed-2](http://eng.majalla.com/2016/09/article55252308/_trashed-2).

7. J. Matthew McInnis, "Iran's Strategic Thinking: Origins and Evolution," American Enterprise Institute, May 2015, <https://www.aei.org/wp-content/uploads/2015/05/Irans-Strategic-Thinking.pdf>.

laxing of sanctions, we may also see Iran seek to improve its conventional capabilities in the future. Notwithstanding these changes, Iran's overall strategic objective remains the same: it seeks to enhance its position in the region in order to safeguard Iran and the Islamic Republic, its worldview, and its method of governance.

It should be noted that Iran's overt efforts to project power in the region for defensive purposes have always been opportunistic, capitalizing on the missteps of global and regional actors.

It should be noted that Iran's overt efforts to project power in the region for defensive purposes have always been opportunistic, capitalizing on the missteps of global and regional actors (e.g., Israel's invasion of Lebanon, the United States' invasion of Iraq, external efforts to destabilize Syria, and the territorial advances of the Islamic State). This is why the number of Iran-supported and Iran-trained (though not always Iran-controlled) Shi'ite militias operating in the region has increased since 2011.<sup>8</sup> The increasingly volatile regional context has made Iran's further outreach possible,<sup>9</sup> but self-defense has not been Iran's only motivation: it also wants to convince other countries that attempting to weaken the Islamic Republic or change its character is futile. Efforts to do so will only further destabilize the region and harm countries' own regional interests.

8. Yaroslav Trofimov, "After Islamic State, Fears of a 'Shiite Crescent' in Mideast," *Wall Street Journal*, September 29, 2016, <http://www.wsj.com/articles/after-islamic-state-fears-of-a-shiite-crescent-in-mideast-1475141403>.

9. As Arash Raesinezhad points out, it is misleading to suggest that Iran and Saudi Arabia are engaged in a proxy war as though the nonstate actors each relies upon are similar: "Iran's strategic allies, Shia proxies from Afghanistan to the Mediterranean, have not endangered [Iran's] regime. Conversely, Saudi Arabia's Wahhabi, salafi-jihadi groups, like Al Qaeda and ISIS, have competed with Riyadh's claim of leading the Sunni world." Arash Raesinezhad, "Containment Is No Longer Good Enough," *National Interest*, September 4, 2016, <http://nationalinterest.org/feature/saudi-arabia-wants-roll-back-iran-17574?page=4>.

A tension-ridden combination of defensive and revisionist outlooks remains the framework within which Iran makes foreign and security policy decisions.

The absence of significant change in Iran's regional approach should not be surprising. The nuclear agreement has reduced the threat of a U.S. or Israeli military attack on Iran and has reversed, although by no means ended, the potential of pressuring Iran economically. But it has not transformed U.S. or Israeli hostility toward or targeting of Iran, nor has it changed the Islamic Republic's perception of inequities in the evolving international order or its motivation to challenge them. In other words, a tension-ridden combination of defensive and revisionist outlooks remains the framework within which Iran makes foreign and security policy decisions, subject to assessment of and debate regarding the opportunities provided and extent of risks foreseen.<sup>10</sup>

Given the regional volatility in which the JCPOA is being implemented, the agreement serves to highlight the multifaceted and dynamic threats Iran faces and to which it must continuously adjust. For instance, while Iran was aware of Saudi Arabia's angst regarding Iran's expanding influence in the region, and even its efforts to prod the United States into attacking Iran, it did not foresee the extent and openness of that country's hostility after the nuclear agreement.<sup>11</sup> Iran expected some sort of pragmatic Saudi adjustment to the changing circumstances, and is still trying to determine how to deal with Saudi Arabia's support of opposition groups that seek to overthrow the Iranian government. So far Iran has limited itself to rhetorical escalation and to drawing attention to Saudi Arabia's role in destabilizing the region. Denying the charge of having hegemonic ambitions in the region, the Iranian leadership across the board has tried to

10. Farideh Farhi and Saideh Lotfian, "Iran's Post-Revolutionary Foreign Policy Puzzle," in *Worldviews of Aspiring Powers*, ed. Henry R. Nau and Deepa M. Ollapally (Oxford: Oxford University Press, 2012), 114–140.

11. See Raesinezhad, "Containment Is No Longer Good Enough," for a list of highly provocative acts by Saudi Arabia since the nuclear agreement.



highlight its antiterrorism efforts and emphasis on the status quo.<sup>12</sup> Although the Saudis have sought to roll back Iran's influence in Syria and Lebanon, Iran has stood its ground; nor has it significantly entangled itself in Saudi Arabia's ill-fated operation in Yemen, despite charges to the contrary.<sup>13</sup> Yemen has never held a vital position in Iran's national security calculations. In any case, Iran knows it cannot have the same level of influence in Yemen as it does in Iraq and Syria. As a result, "Iran is happily putting minimal effort into Yemen to project power and poke Saudi Arabia at a minimal cost."<sup>14</sup>

**Territorial advances by ISIS during the nuclear negotiations represented one of the most significant threats to Iranian national security since the end of the Iran-Iraq War.**

Iran's security policy adjustments following events in Iraq and Syria have been far more marked. Territorial advances

12. In the Iranian public discourse, Saudi Arabia's policies and conduct are criticized and the immaturity of its current leaders problematized as the source of intensified conflict. But the conversation also makes clear deep concern about a destabilized Saudi Arabia, which is seen as a threat to Iran and dangerous. A similar posture has framed Iran's approach to Pakistan for years, no matter who has been in charge of that country. See, for instance, Mohammad Masjed Jamei, "Iran and Saudi Arabia: A View from Within toward a Mutual Relationship," *Khabar Online*, May 28, 2016, <http://www.khabaronline.ir/detail/540658/weblog/mohammadmasjedjamei>. Jamei, a current diplomat, bluntly states that "the presence of the current regime, despite all that can be said about it, is ultimately to the benefit of us, our allies, and Saudi Arabia's Shi'ites. Dissidents who can take power are Salafi Takfiris and no other group."

13. Although the media repeatedly identify the Houthis as "Iranian backed," even those most alarmed by Iran's relationships to nonstate actors agree that "the [Houthi] rebels are not yet part of Iran's transnational threat network: they are a local organization with local motives." Jeremy Vaughan, Michael Eisenstadt, and Michael Knights, "Missile Attacks on USS Mason: Principle to Guide a U.S. Response," *Washington Institute*, October 12, 2016, [http://www.washingtoninstitute.org/policy-analysis/view/missile-attacks-on-the-uss-mason-principles-to-guide-a-u.s.-response?utm\\_term=Read%20this%20item%20on%20our%20website.&utm\\_campaign=Responding%20to%20Attacks%20on%20the%20need](http://www.washingtoninstitute.org/policy-analysis/view/missile-attacks-on-the-uss-mason-principles-to-guide-a-u.s.-response?utm_term=Read%20this%20item%20on%20our%20website.&utm_campaign=Responding%20to%20Attacks%20on%20the%20need).

14. Ariane Tabatabai and Dina Esfandiary, "Sana'a: Iran's Fourth Capital?," *Lawfare*, January 10, 2016, <https://www.lawfareblog.com/sanaa-irans-fourth-arab-capital>.

by ISIS during the nuclear negotiations represented one of the most significant threats to Iranian national security since the end of the Iran-Iraq War. The territorial integrity and stability of neighboring Iraq are among Iran's vital interests. Given the conflicted postrevolution history of the two countries, Iran's goal of a friendly, or at least not hostile, regime in Iraq is essential, too.

Consequently, Tehran is a key stakeholder in the crisis. It has chosen to play a role in mobilizing and training as many strands as possible within the Popular Mobilization Force (PMF), apparently in the hope that even after the defeat of ISIS, these militias would help maintain the extensive bonds established between the two countries after the 2003 U.S. invasion. In short, if Iran looks hyperactive in Iraq—maintaining and expanding links to multiple institutional and noninstitutional players there—it is due to its awareness of the complexity of Iraqi political dynamics.

Sensitivity toward Iraq, as well as already established deep links inside the country, also gives Iran the ability to act quickly and opportunistically in reaction to unforeseen events. By all accounts, Iran was taken by surprise during ISIS's rapid advances in northern Iraq in June 2014. But the immediate confusion was overcome in a couple of days, and a consensus was reached regarding robust and complementary diplomatic and military responses. These entailed on-the-ground leadership by the Quds Force commander Qasem Soleimani, as well as the Foreign Affairs Ministry's coordination with both the Kurdish Regional Government and the Iraqi central government; both military and political sides of the response were overseen by the Supreme National Security Council (SNSC) secretary Ali Shamkhani.<sup>15</sup> Iran's response was not only an effort to counter ISIS but also an opportunity to project Iranian decisiveness as a stabilizing force in the region, especially compared with the actions of regional rivals.<sup>16</sup>

Strategic interests continue to drive Iran's involvement in the Syrian conflict as well.<sup>17</sup> They include the preservation of an

15. Alireza Nader, "Iran's Role in Iraq: Room for U.S.-Iran Cooperation?," *RAND Corporation Perspective*, June 1, 2015, [http://www.rand.org/content/dam/rand/pubs/perspectives/PE100/PE151/RAND\\_PE151.pdf](http://www.rand.org/content/dam/rand/pubs/perspectives/PE100/PE151/RAND_PE151.pdf).

16. Iran's projection of itself as a force for regional stability was also manifested in Iran's quick reaction in support of Turkish president Recep Tayyip Erdogan. See "Iran FM Briefs Parliament on Turkey's Botched Coup: MP," *Press TV*, July 17, 2016, <http://www.presstv.ir/Detail/Fr/2016/07/17/475570/Iran-Turkey-Mohammad-Javad-Zarif>.

17. In the words of Qasem Soleimani, the Quds Force commander, "The enemy's problem is Syria's centrality in the axis of resistance and [its]

ally, retention of supply lines to Hezbollah through maintenance of Syria's territorial integrity, and degradation of jihadi groups. It is true that after the 2013 election of Hassan Rouhani, officials close to the president began to vocalize their concerns that direct military engagement in Syria could harm Iran's financial and ideological capital.<sup>18</sup> This position faced strong opposition from the Islamic Revolutionary Guard Corps (IRGC) and Office of the Leader, the main drivers of the Syria policy.<sup>19</sup> But by 2014 the search for an alternative approach had subsided under the weight of events on the ground, which provided the narrative that Syria also constituted the front line in the fight against anti-Iran jihadi terrorism. Iran's Ministry of Foreign Affairs then sought to take back some control over the direction of policy by insisting on the consensual nature of decisionmaking through the instrument of the SNSC and "framing the conflict in Syria as part of both a wider ideological struggle (driven in part by ethnic and sectarian tensions) and a geopolitical (or structural) competition for power with Saudi Arabia."<sup>20</sup> The critics of Iran's direct military involvement in Syria didn't

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relations with the Islamic Republic of Iran. Over there, we are not only defending Syria; rather we are defending Iran and Islam. Daesh and Takfiri groups have not been established for Syria. They are organized for Iran," Tasnim News, October 5, 2016, <http://www.tasnimnews.com/fa/news/1395/07/14/1205902>.

18. While Iran's backing of the Syrian regime is not motivated by sectarianism, there is awareness in Iran that its active intervention, along with Hezbollah's, has fueled the perception of Iran as primarily a sectarian actor. This perception undermines the benefits Iran might reap through its anti-American and anti-Israeli stances. Rouhani's first foreign policy statement emphasizing a reset in Iran-Saudi relations must be seen in the light of this awareness. Fatemeh Aman and Ali Scotten, "Rouhani Win Could Reduce Iran-Saudi Tensions," *Al-Monitor*, June 21, 2013, <http://www.al-monitor.com/pulse/fr/originals/2013/06/rouhani-election-reduce-saudi-iranian-tensions.html>. Concerns have also been expressed about the effects of the Syrian government's brutality and the impact it will have given Iran's support. See Gareth Smyth, "Iran: Rafsanjani Signals Wavering in Long-Standing Support for Syria," *Guardian*, September 6, 2013, <https://www.theguardian.com/world/iran-blog/2013/sep/06/iran-syria-rafsanjani-assad>.

19. For a detailed analysis of Iran's Syria policy since 2011, see Ali Ansari and Aniseh Bassiri Tabrizi, "The View from Tehran," in *Understanding Iran's Role in the Syrian Conflict*, ed. Aniseh Bassiri Tabrizi and Raffaello Pantucci (Royal United Services Institute [RUSI], August 2016), [https://rusi.org/sites/default/files/201608\\_op\\_understanding\\_irans\\_role\\_in\\_the\\_syrian\\_conflict\\_0.pdf](https://rusi.org/sites/default/files/201608_op_understanding_irans_role_in_the_syrian_conflict_0.pdf).

20. Ibid. See also the two opinion pieces written by Foreign Minister Mohammad Javad Zarif in the *New York Times*, chastising Saudi Arabia for its support of terrorism: "Mohammad Javad Zarif: Saudi Arabia's Reckless Extremism," June 10, 2016, <http://www.nytimes.com/2016/01/11/opinion/mohammad-javad-zarif-saudi-arabias-reckless-extremism.html>; and "Mohammad Javad Zarif: Let Us Rid the World of Wahhabism," September 13, 2016, <https://www.nytimes.com/2016/09/14>

dispute that Iran had overall strategic interests in Syria, and they ended up agreeing that Syria also constituted a front line in the fight for Iran's security. Both diplomatic and military avenues were then utilized to elevate the level of coordination with Russia, a step that was publicly identified as strategic cooperation regarding Syria.<sup>21</sup>

Overall Iran remains committed to the state and nonstate alliances it has laboriously created in order to project power and protect itself, despite the limitations of these asymmetric capabilities on the ground.

From Iran's standpoint, flexibility and pragmatism are needed to deal with ever-changing regional circumstances—for instance, to devise policies to counter potential state breakdown and the growth of Sunni extremism in Syria, Iraq, and increasingly even Afghanistan; or to address the unexpected attempted coup in Turkey or the increased hostility of Saudi Arabia. But overall Iran remains committed to the state and nonstate alliances it has laboriously created in order to project power and protect itself, despite the limitations of these asymmetric capabilities on the ground.

## Iran's Post-JCPOA Priorities and Relations with the United States

Regional matters were not part of the negotiations over the JCPOA. But the multilateral setup of the negotiations did bring into focus Iran's broader relationships, including with the United States. The nuclear agreement had many critics in Iran. The criticism that came from the right of the political spectrum even momentarily threatened to derail the agreement through parliamentary challenges.<sup>22</sup> Ultimately, this loud opposition to the agreement was blocked through

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/opinion/mohammad-javad-zarif-let-us-rid-the-world-of-wahhabism.html.

21. "Shamkani: Iran-Russia Cooperation on Syria Strategic," Islamic Republic News Agency (IRNA), August 16, 2016, <http://www.irna.ir/en/News/82191116/>.

22. Farideh Farhi, "Whatever Happened to the Iranian Parliament's JCPOA Review?," *Lobelog*, September 25, 2015, <http://lobelog.com/whatever-happened-to-the-iranian-parliaments-jcpoas-review>.

the direct behind-the-scenes intervention of the Office of the Leader. But since the agreement, Ayatollah Khamenei has criticized the United States for failing to lift sanctions under the terms of JCPOA. He has then used this failure as an argument to reject additional engagement or coordination with the United States on other regional matters.

**It is important to understand...that most of the Iranian security establishment sees U.S. power as organic, comprehensive, and pervasive.**

Khamenei's account of why the agreement was originally reached is in effect a reversal of the dominant U.S. account. Whereas the United States holds that Iran compromised because of economic pressure, Khamenei suggests instead that the United States accepted Iran's enrichment program because it finally saw the futility and costs of its approach to this issue. But, Khamenei insists, the overall U.S. approach to Iran has not changed; its urge to control the region and manipulate Iran's domestic dynamics is ongoing. It is important to understand in this context that most of the Iranian security establishment sees U.S. power as organic, comprehensive, and pervasive, and it entails economic, political, and cultural dimensions. In this view, the United States has both the desire and the capacity to create and lead a hierarchical international order which it shapes to its own benefit and to the detriment of Iran. No other global power is thought to have the same urge and capacity. Russia, for example, has a history of sordid interactions with Iran, including aggression and recognized "backstabbing," but Iranians perceive its power as unidimensional and reliant solely on its military strength. In the words of Hossein Kachuyian, writing for the hard-line *Kayhan* daily, these U.S. traits explain why relations with the United States, unlike relations with Russia or China, will "rapidly take over all the dimensions of Iran's political order and the country's social life. [The United States] will not allow any room outside its domination and authority."<sup>23</sup>

23. Hossein Kachuyian, "Seeking Independence or American Mischieff!," *Kayhan*, August 23, 2016. This editorial was a response to the criticism of Russia's use of Iran's military base for several of its attacks against rebels in Syria.

Khamenei, in particular, does not merely distrust the United States because of its alleged half-hearted fulfillment of its JCPOA obligation. He also fears what an opening to the United States under the current circumstances will bring: first a demand for Iran to abandon its foreign policy culture of resistance, autonomy, and independence, and eventually the undermining of Iran's revolutionary institutions—at the core of which stands his office—through "penetration" of the political environment.

This is a line of argumentation that cannot really be directly challenged publicly, since those rejecting it will immediately stand accused of being witting or unwitting agents of U.S. penetration. Yet, there are influential players in Iran who have argued for years that the U.S. threat to Iran's stability can be better neutralized through conciliatory policies, engagement, and accommodation in areas of mutual interest and negotiation in areas of conflict. The nuclear talks themselves were a reflection of the success of this point of view. Proponents had pushed for direct talks once the United States changed its absolutist position on Iran's nuclear program.<sup>24</sup> Thus after the JCPOA was first adopted, some Iranians expressed the hope that directly engaging with the United States would allow their country both to capitalize on the economic dividends of JCPOA and to accrue geopolitical benefits.

The proponents of this point of view argued that beyond economic opportunities provided by the lifting of some key sanctions, the success in nuclear talks created a new potential in the region's geopolitical equations. They argued that Iran should take advantage of this situation, solve some of its strategic discrepancies with the United States, and institutionalize an enhanced role for Iran in regional security. This argument has so far not found traction, perhaps due to its unrealistic expectation that the conflicts Iran has with the United States and its allies could be sorted out or negotiated in the midst of the protracted conflict in Syria.

It should not be surprising that Iran is debating the extent to which it should capitalize on the economic benefits of easing sanctions. Iran's challenge of international order and norms has never extended to economic matters. Its oil-based econ-

24. Rouhani is explicit in his book on nuclear diplomacy that in his efforts to resolve the nuclear imbroglio he was not allowed to talk directly with the global "village chief" (*kakhoda*). One of the best-known advocates of direct bilateral talks with the United States, Rouhani was not even aware of the behind-the-scenes contacts that were happening during Ahmadinejad's presidency; this suggests how important it is to attend to issues rather than individuals (who is in power and who is not). See the review of Rouhani's book by Farideh Farhi in *Iranian Studies* 47, no. 2 (2014): 360–364.



omy remains intimately linked to the global market, and the notion of a “resistance economy” became appealing only after the sanctions regime showed the leverage the United States could muster precisely because of Iran’s extensive links to the global economy. Multilateral and comprehensive sanctions forced Iran to rely more on domestic capacities, even if not in the most productive ways. Domestic interests developed during the period when international capital and companies completely abandoned Iran—including interests tied to the country’s military-commercial activities—have now become a source of opposition to foreign investment in the Iranian economy, and particularly in the oil and gas sector. This opposition explains why negotiations over the terms of the new Iran Petroleum Contract (IPC) took many months, and why the original draft of general conditions, structure, and patterns of the upstream petroleum and gas contract proposed by the oil ministry, which was keen on making Iran attractive to oil majors, was subjected to more than 150 changes. The main objection to the contract was that under its terms, the IPC ceded too much control over Iranian oil assets to foreign companies.

Two concerns underlie the argument against the effort to lure Western capital to Iran. First is the concern that further integration of the Iranian economy in the global market will make the country more vulnerable to future sanctions. If Western companies could withdraw from Iran as they did in the past under pressure from the United States, wouldn’t they be likely to do so again? And with their increased penetration of the Iranian economy, wouldn’t their actions be even more harmful to Iran’s internal security? The second concern is how to protect the economic interests of revolutionary institutions that increased their involvement in the Iranian economy during the sanctions regime. To placate these interests, the first announced contract under the new formula was given to a local company closely affiliated with Tadbir Energy Development Group, which belongs to the economic arm of the Execution of Imam Khomeini’s Order (EIKO)—an institution that reports directly to the Office of the Leader.<sup>25</sup> The oil ministry had initially announced plans to award development projects to international oil companies, which it would then partner with qualified Iranian oil companies. It ended up reversing its plan as a result of persistent domestic criticism, which delayed the deployment of the new model contract. But with the intervention and ascent of the Office of the Leader, the ministry was nevertheless able to push through

25. “Iran Signs First New Oil Deal with New Model Contract,” S&P Global Platts, October 4, 2016, <http://www.platts.com/latest-news/oil/tehran/iran-signs-first-new-oil-deal-with-new-model-26561126>.

a new form of contract that allows for long-term investment of foreign companies in Iran’s oil and gas fields with potentially much better terms for international investors than before. The issue that remains is whether the extensive U.S. financial sanctions still in effect will make foreign investors cautious, in which case those who have been pushing for a more open economic climate will again lose the fight, just as they have so far lost the argument regarding strategic talks with the United States.<sup>26</sup>

## The Decisionmaking Process in Iran

Ultimately, all of Iran’s international actions, like those of other countries, are products of internal policy process. Interestingly, Iran’s foreign and security policy decisionmaking processes have improved as a consequence of the international pressures consistently imposed on Iran since the nuclear dossier became prominent in 2003. These processes are now more coherent and systematic than in the past, and they are more likely to take into account the varying opinions within the broader national security establishment.

Constitutionally and effectively, Leader Khamenei is commander in chief with broad powers regarding the direction of the country. The office itself, established by the revolution, makes him the Islamic Republic’s guardian par excellence. Public statements by various security and foreign policy officials also suggest that beyond broad prerogatives, he is both an institution builder and a very hands-on commander in chief. He is likely convincing and respected in this latter position due to his experience as the president of the Islamic Republic during the Iran-Iraq War.<sup>27</sup>

The combination of constitutional power and personal disposition has made Leader Khamenei the final decisionmaker,

26. Marc Champion, “Iran Is Stuck with China to Finance Its Oil Dreams,” Bloomberg, <http://www.bloomberg.com/news/articles/2016-10-12/tired-of-china-s-grip-iran-confronts-a-harsh-oil-market-reality>.

27. See, for instance, the transcript of the 2014 television interview with Major General Mohammad Bagheri, at the time the deputy chair of the Joint Chiefs of Staff: Farsnews, September 26, 2014, <http://www.farsnews.com/newstext.php?nn=13930704000196>. See also the recent interview with former chair of the Joint Chiefs of Staff, Hasan Firuzabadi, in which he explains the supreme leader’s recent decision to separate the operational command authority from the Joint Chiefs of Staff: Farsnews, October 15, 2016, <http://www.farsnews.com/newstext.php?nn=13950723000259>. For a detailed discussion of how the office of the leader has developed through Khamenei’s hands-on guidance, see Mehrzad Boroujerdi and Kourosh Rahimkhani, “The Office of the Supreme Leader: Epicenter of a Theocracy,” in *Power and Change in Iran: Politics of Contention and Conciliation*, ed. Daniel Brumberg and Farideh Farhi (Bloomington: Indiana University Press, 2016), 135–165.



particularly on matters of national security and foreign policy. Without a doubt this combination gives him the power to veto decisions made by other decisionmaking institutions. But the reality is that he does not operate in a political vacuum.

[Khamenei's] position pushes him to act such that stakeholders of different opinions ultimately buy into his final decision, or at least are not disaffected enough to challenge the decision openly.

Even if he is partial regarding an issue—and he is no doubt partial on many issues—his actions must be designed to avoid further political polarization of the system, which from his point of view ultimately undermines the internal security of the Islamic Republic.<sup>28</sup> In short, his position pushes him to act such that stakeholders of different opinions ultimately buy into his final decision, or at least are not disaffected enough to challenge the decision openly.<sup>29</sup> This dynamic further obliges him to make a convincing case for his decisions, whether in support or rejection of a policy.

To manage the tension between his positions as partisan final decisionmaker and arbiter of debates (debates that are increasingly being publicized through official statements and discussions in the press), Khamenei has consistently relied on a process mediated through the SNSC. This 13-member council, where one ministerial member changes depending on the issue under consideration, is where differences on various issues are discussed, mediated, and ultimately deci-

28. To give an example: in his “advice” to former president Mahmoud Ahmadinejad not to run for president in 2017, Khamenei indicated that Ahmadinejad’s running would polarize the country and that “polarization harms the country.” See Khamenei’s website, “Do qotbi-ye dorugh-in” (False Polarization), September 26, 2016, <http://farsi.khamenei.ir/newspart-index?id=34459&nt=2&year=1395#59520>.

29. This, of course, happened after the 2009 contested election and subsequent incarceration without trial of two presidential candidates. The unresolved situation of two former key officials remains (to use a Persian expression) a bone in the throat of the Islamic Republic and a source of polarization.

ded. It is now formally stated (as it was not in the past) that key decisions by the SNSC—meaning those that have become contested in the public sphere—are finalized only with the assent of the leader.<sup>30</sup>

The leader has two appointed representatives in the SNSC, but neither of these appointments necessarily represents his views. By tradition, one of the representatives is the secretary of the body and is appointed by the president, and the other is usually a past secretary in order to ensure that diverse views are represented.<sup>31</sup> Meanwhile, a change at the presidential and parliamentary helm can have (and since 2005 has had) substantial impact on the body. The elected speaker of the Parliament is a member and can change depending on the result of the election; the president, besides himself, potentially brings into the body six changed members (including the secretary).<sup>32</sup> But the SNSC is also where elected officials, particularly the president, can influence decisionmaking; with a change of presidency, there is substantial change in the makeup of the SNSC, and the president has sway over at least half of the membership. To be sure, the leader maintains veto power concerning SNSC decisions, but by all accounts he uses it sparingly.<sup>33</sup>

30. To give an example: controversy erupted after Iran agreed to adopt the Financial Action Task Force’s plan to address its deficiencies in combating money laundering and financing of terrorism; the issue immediately went to the SNSC. Ali Shamkhani, the SNSC’s secretary, recently announced that the body had reached its conclusion and was awaiting the leader’s decision to announce the result. “Shamkhani: The National Security Council Has Reached [Its] Conclusion regarding FATF,” IRIB News, September 14, 2016, <http://www.iribnews.ir/fa/news/1297033>.

31. Hassan Rouhani was the leader’s representative to the SNSC when he was the body’s secretary, and he was reappointed as the leader’s representative once he was removed by President Ahmadinejad. Similarly, Saeed Jalili, the SNSC secretary during the Ahmadinejad presidency, was appointed to the body as the leader’s representative.

32. The changed members, besides the president and secretary, are the head of the Management and Planning Office, along with interior, intelligence, and foreign ministers as well as the issue-focused changing minister—defense minister on security issues. It is true that the leader has sway over the initial appointment of several key ministers (intelligence, defense, interior, and foreign affairs), but since the 1997 presidential election, it has become publicly clear that his sway takes the form of a veto or a rejection of a particular candidate by the president. There is no evidence of imposing a candidate the president cannot work with. In other words, the eventual appointment also comes out of a process of negotiation.

33. Hossein Mousavian, a member of the SNSC secretariat during the reformist Mohammad Khatami presidency, cites one instance of an outright veto of the SNSC, when a majority supported a military attack on Afghanistan to retaliate against the Taliban’s killing of several Iranian

Of course, the SNSC itself is situated within informal business and clerical networks among the Iranian elite, which allows certain constituencies to influence the decisionmaking process. The bottom line is that neither Khamenei nor the SNSC operates in a vacuum. Both operate within a public environment in which policies, particularly those related to economic and cultural issues, are debated, and where debate can be influential. It is true that there is less room for influencing debate on foreign and security policy issues, but even in these arenas, there is a need to negotiate tactical differences of opinion on how to manage a crisis or public controversy. This kind of negotiation was evident during nuclear talks, for example, as well as during other more recent events, including the response to the public fallout over revelations that Russians were using an Iranian air base, or the management of reactions to Saudi Arabia's aggressive post-JCPOA policy toward Iran.

The “heroic flexibility” shown in resolving the nuclear issue has not yet been translated into a more supple regional policy.

## Conclusion

After the JCPOA, the Iranian leadership has not reevaluated its regional posture. To the disappointment of many, the “heroic flexibility”<sup>34</sup> shown in resolving the nuclear issue has not yet been translated into a more supple regional policy. The reasons are many. One is certainly the ideological frame in which Iran's government views the world, but one can also

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diplomats. He also gives one example of the leader going along with the majority decision of the SNSC despite his personal opposition; this occurred when a majority voted to suspend uranium enrichment as a confidence-building measure in the nuclear negotiations with Germany, France, and Italy (E-3). Joshua Rosenfield, “Watch: Former Diplomats on U.S.-Iran Mistrust in Their Nuclear Negotiations,” *Asia Society*, June 4, 2014, <http://asiasociety.org/blog/asia/watch-former-diplomats-us-iran-mistrust-their-nuclear-negotiations>.

34. Khamenei used the wrestling metaphor “heroic flexibility” to explain his decision, after years of opposition, to allow direct nuclear negotiations with the United States. It implied flexibility for tactical reasons while not maintaining strategic clarity regarding the strengths of the opponent. See Arash Karami, “Ayatollah Khamenei's Heroic Flexibility,” *Iran Pulse*, September 19, 2013, <http://iranpulse.al-monitor.com/index.php/2013/09/2854/khameneis-heroic-flexibility/>.

point to uncertainty about the direction of U.S. policy toward Iran<sup>35</sup> and dramatic volatility in the region. Seen broadly, the Iranian leadership feels it must continue aggressively to counter efforts to destabilize Iran and to ensure security at home by projecting power and (increasingly) fighting the enemy abroad.

Domestic political and power dynamics also play a significant role in Iran's unchanging defensive posture. These dynamics have hindered the transformative potential of the extraordinary direct interaction between Iran and the United States that the nuclear talks provided. Although Iranian political elites broadly agree about the need to elevate Iran's regional role and position based on an independent foreign and security policy, they differ about how to capitalize on the nuclear agreement and strike a balance between geopolitical and economic dividends. The country's political establishment hopes to take advantage of economic opportunities provided by the loosening of multilateral sanctions, but this goal stands in tension with the security establishment's insistence on self-reliant deterrence via the “axis of resistance”—and with the security establishment's efforts to ensure its own continued political and economic relevance. The irony in all of this is that maintaining internal security and consolidating geopolitical gains are difficult without a healthy, growing economy.

These tensions and differences are part of the fabric of the Islamic Republic. They are negotiated within a complex and increasingly structured decisionmaking process that takes into account the diverse—at times polarized—opinions that exist within the broader public. There is a constant process of negotiation inside Iran, and the country's internal security and stability have never been assured through sheer force alone. While the Office of the Leader issues the “final word” regarding key foreign policy decisions, those decisions take note of the varying opinions and interests in the country. The contentiousness integral to Iran's postrevolutionary politics is often noted, but often neglected is the effort to build consensus through negotiation. This give-and-take, which as mentioned is increasingly unfolding through an institutionalized process, tends toward a middle ground that allows various stakeholders to buy into decisions.<sup>36</sup>

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35. Currently this uncertainty works at two levels. At the deeper level, it is about Iran's continued distrust of U.S. intentions and the extent to which U.S. policies hostile toward Iran have changed. At the more temporal level, the uncertainty is about whether President Trump will follow through with U.S. obligations under the JCPOA.

36. Daniel Brumberg and Farideh Farhi, “Introduction: Politics of Contention and Conciliation in Iran's Semiautocracy,” in *Power and Change*

After years of negotiation, then, Iran remains a fundamentally defensive state principally concerned with its own territorial integrity, its internal stability, the survival of revolution-inspired institutions, and the development of its resources.

After years of negotiation, then, Iran remains a fundamentally defensive state principally concerned with its own territorial integrity, its internal stability, the survival of revolution-inspired institutions, and the development of its resources. Ideationally, it is motivated by a belief that potential attacks—from many adversaries, close and far—require self-reliant deterrence. Iran also has a deep sense of grievance toward its most powerful adversary, the United States. It believes that the United States has blocked Iran’s legitimate interests and place in the constantly evolving international order. It sees the United States as a country unwilling to pay the potential costs of direct military attack but nevertheless aspiring to destabilize Iran through other means and pretexts. The resolution of the nuclear issue has taken off the table one pretext, but others remain, such as state sponsorship of terrorism, the country’s missile defense program, and even regime type. In Iran’s view, dealing with this adversary requires effective countermeasures. These include public diplomacy to challenge what Iran foreign minister Mohammad Javad Zarif has called “Iranophobia”—meaning efforts to frame the Islamic Republic as uniquely dangerous to the region—and hard projection of power through links with nonstate actors in order to thwart the potential return of a military option to the table.

The latter countermeasure has not been without critics inside Iran. Pointing to the aggressive and opportunistic projection of power through alliances with nonstate actors, these critics question whether the bombast is necessary, and they also worry about the impact this approach will have on the country’s economic aspirations. But U.S. uncertainty about its post-JCPOA positioning, along with U.S. ambivalence

in Iran: Politics of Contention and Conciliation, ed. Daniel Brumberg and Farideh Farhi (Bloomington: Indiana University Press, 2016), 1–34.

about “what to do with Iran,” promises even these critics at best a U.S. policy of inertia that seems incapable of coming to terms with Iran’s legitimate interests and influence in the region. Hence these critics are left only with tactical arguments about the need for astute diplomacy to counter the national security threat posed by the United States—and specifically its volatile domestic environment, indecisiveness, and penchant for coercive means, economic or martial.

The more Iran’s legitimate fears about sovereignty and security are ignored, the more likely it will be to resist coercion.

Iran is already a significant regional actor endowed with highly complex and contentious domestic dynamics. These characteristics make it a country that will not allow itself to be either ignored or coerced into changing its ways along the lines prescribed by other countries. The more Iran’s legitimate fears about sovereignty and security are ignored, the more likely it will be to resist coercion. The history of the nuclear conflict, in fact, suggests that the perception of an enhanced threat against its security and sovereignty moved Iran’s entire political spectrum toward counterreaction, including the expansion and quickening of its uranium enrichment program and explicit formulation of a security doctrine that sees threats as the answer to threats.<sup>37</sup>

In the post-JCPOA environment, the United States has two options. It can continue a bifurcated approach, whereby sanctions on Iran ease in accordance with the obligations the United States made in the JCPOA, while non-nuclear sanctions are enforced – or perhaps even buttressed – simultaneously. Such a course would create a highly challenging environment and prone to growing flashes of tensions between the two countries, which would likely then be further inflamed by other regional players. Tensions are particularly likely given the JCPOA opponents’ strategy of pushing for targeted sanctions against companies and individuals on nonnuclear grounds. The drive to make Iran’s ballistic missile program the next pretext for imposing new unilateral sanctions should be seen as part of this strategy. This drive

37. “Sardar Dehghan: People of Iran Will Answer Threat with Threat,” Mehrnews, May 30, 2016, <http://www.mehrnews.com/news/3672636>.

is happening without any clarification on the part of the intelligence community about the extent of the Iranian missile program's risk to the region and to U.S. allies, and without any discussion of how effective sanctions would be in countering a program that Iran considers vital as a conventional deterrent.

Alternatively, the United States can acknowledge that Iran has a fair case when it identifies U.S. policies as the main instigator of the country's aggressive deterrent posture. Given the U.S. objectives—maintaining the nuclear security gains of the JCPOA, improving the regional security environment, and reducing prospects for conflict—expanding and multiplying the channels through which Washington's concerns and intentions are relayed to Tehran should open the way for pragmatic, transactional agreements where interests coincide.

In other words, the United States can treat the JCPOA and the channels of communication that it has opened as a one-time effort that failed to transform the Islamic Republic's behavior, externally or internally. Or it can treat the JCPOA as a successful transaction with a significant, if difficult, regional player, and seek to draw useful lessons from it for the future. ■

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