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Special Report

Now Can Cyrus and Darius Be Recalled

The Persians, Not the Clerics, Begin to Revive

The July 14, 2015, major power accords with Iran were portrayed as the deliverance of the laws of the international community upon Iran. But they have delivered more consequences than any of the parties could have considered.

*I've reached the end of this great history
And all the land will talk of me:
I shall not die, these seeds I've sown will save
My name and reputation from the grave,
And men of sense and wisdom will proclaim
When I have gone, my praises and my fame.*

— The final verse of Ferdowsi's *Shahnameh*, the *Epic of Kings*, c.1010 CE, as translated by Dick Davis.

By Gregory R. Copley, Editor, GIS/Defense & Foreign Affairs, and Dr Assad Homayoun.¹ US President Barack Obama's most consequential deliberate act in more than six years in office was to actively promote the P5+1² accord with Iran. It was ostensibly done — or at least the major power protagonists believed it was done — to halt or slow the development of indigenously-manufactured nuclear weapons by Iran.

The nuclear weapons aspects of the accord are, in fact, virtually irrelevant.

Far more consequential outcomes will evolve, because the Iranian military leadership understands that their existing nuclear weapons are for deterrence and prestige, and that their use would presage suicide.

The accord, agreed in Vienna on July 14, 2015, essentially ends key aspects of the international isolation of Iran since the withdrawal of the Shah on February 11, 1979. Nothing about Iran's existing nuclear weapons and strategic doctrine³ changes with the accord, however, but the action allows Iran and the US to each step back from their ideological positions.

They no longer need to be enemies. That psychological transformation changes everything.

What is now in the process of commencing are questions of the new fates and relative future positions of Saudi Arabia, Turkey, Russia, Syria, Qatar, and the United States; even the People's Republic of China (PRC). And ultimately of Israel, and so on.

But it is not, in the final analysis, really about nuclear weapons or the prospect of nuclear war. And ultimately, it will be to the benefit of Israel if Israel allows the process to eventually restore traditional Israeli-Iranian relations. The reality is that Iran and Israel, as with the US, need a catalyst to satisfy honor, so that each can back away from entrenched positions built ostensibly around honor.

The July 14, 2015, accord may, as a result, presage the most significant *conscious* geopolitically transformative act since the end of the Cold War (1990), if the relative transformations within NATO and between,

say, the US and the People's Republic of China, are considered as evolutionary changes, not the result of predetermined architecture.

The unintended consequences of other Obama Administration policies and behavior may be strategically more profound in the longer term, but the Iran "nuclear accord" was *consciously* sought. However, even though this was an ardently-pursued treaty, it is clear that the strategic consequences of the action were not fully considered or understood by either the US or most of the other P5+1 participants.

Nowhere were the downstream consequences more clearly considered than in some parts of Tehran. Even strategic planners in Saudi Arabia and Turkey have quietly taken account of only some of the real implications of the deal. In the US, as in Israel, most interpretations of the accord have been superficial, short-term, often politically or ideologically based, and often in ignorance of the historical geopolitical framework. Significantly, virtually all analysis immediately following the accords were based on extrapolations of the present perceived Iranian situation and attitudes.

The reality is that the post-accord era will transform the fundamentals of Iran, including its self-perception, its goals, and socio-political framework. Iran, in other words, now becomes another country. The question which must be posed, before anything else, then, is *what does Iran become?* And when and how does the event start to transform Iran?

What is the "end-state"; the position in, say, one or two decades?

What was significant in the run-up to the July 14 accords was the fact that none of the nuclear states except Israel — or at least Israeli Prime Minister Binyamin Netanyahu — expressed concern about the pact opening up a period of nuclear instability. There was greater concern, internationally, about the threat posed by the Islamic Caliphate (aka Islamic State/DI'ISH), which Iran opposes, perhaps more emphatically than most states.

The Israeli Government mobilized all of its resources, supported by Saudi Arabian money, to oppose the P5+1 pact with Iran, and failed.

The Immediate Consequences

1. Iranian Strategic Impact: Iranian strategic capabilities and prestige in the Northern Tier region, the Persian Gulf and Levant, and into Africa, will increase immediately, and not merely because of the release of some or all of the \$100-billion or more of frozen Iranian assets in the US and elsewhere. There will clearly be some positive budgetary impact for defense in the short term, but there will be more than that. In any event, the impact of additional funding to the Iranian Armed Forces and Iranian Revolutionary Guard Corps (IRGC: *Pasdaran*) will take a year or more to show effect in terms of new weapons acquisition.

- Iran's improved financial and strategic flexibility will compound Iran's success in supporting the Bashar al-Assad Government in Syria as its primary national security goal. This will translate into a setback for Turkey, Qatar, Saudi Arabia, and the Islamic Caliphate (DI'ISH/Islamic State);
- Iran will compound its support for the Zaidi (Shi'a-related) Houthi forces in Yemen, and this will cause Saudi Arabia — presently committed to war against the Houthi — to either re-calculate the strategic value in continuing that conflict, or mire it in a proxy war of indeterminable (seemingly interminable) duration. Saudi Arabia must therefore consider rapidly whether a negotiated settlement on Yemen might offer the best option, given that a protracted conflict could fracture the Saudi political structure. The outcome may, or may not, leave Saudi Arabia with significant influence in one or more areas of the "new" Yemen, and Yemen itself may fracture rapidly into two or more parts in the near future;
- Iran's "lessons" of the new deal will be interpreted rapidly, with Iranian consultation, by the Kim Jong-Un Government of the Democratic People's Republic of Korea (DPRK). The July 14 compact potentially threatens the long term viability of the Iran- DPRK alliance, Pyongyang's most significant, independent strategic partnership. Without it, the DPRK is forced into a straight-jacket relationship with the PRC, on which it depends for the bulk of its sustenance. What will Kim Jong-Un do in the short-term; that period in which he still believes he has the trust of Tehran (and in the knowledge that Tehran may not need him in the near future)?;

- Ironically, while the P5+1 pact threw Israel and Saudi Arabia into even closer cooperation, it also hardened the divisions between Arab Sunni states and those states more relaxed about Shi'ism. Until recently, Iran had won the affections of HAMAS in the Gaza area of the Palestinian Authority, despite the fact that HAMAS is profoundly Sunni and Muslim Brotherhood in origin and orientation. But with the crunch of the new accords, HAMAS has moved back to its pro-Saudi/*salafist* position, and this may be of concern to Israel. Alternately, it may enable Israel, working with Riyadh, to move toward an accord with HAMAS (and, indeed, discreet Israel-HAMAS links have been underway over recent months);
- The pact should take away the urgency of the Saudi and Turkish quest to acquire their own military nuclear programs. Their research will almost certainly continue, but without the need to publicly be seen as “balancing” the Iranian nuclear capabilities (provided the present Iranian nuclear weapons capabilities do not become the focus of major media attention). However, the recent Saudi-Iranian competition in Yemen has also led Saudi Arabia into some disillusionment with its alliance with Pakistan (and Pakistan’s management of strategic missile forces in the Kingdom). Pakistan, with a substantial (at least 20 percent) Shi’a population, refused Riyadh’s request to participation in an “anti-Shi’a” coalition against the Houthis in Yemen. Thus, as the framework polarizes, Pakistan is now strategically equidistant between Saudi Arabia and Iran. Indeed, there is much more to this equation still to emerge and develop.

2. Domestic Iranian Impact: From a public standpoint, Iranian Pres. *Hojjat ol-Eslam* Hasan Fereidun Rohani and Foreign Minister Mohammad Javad Zarif have delivered a promise of prosperity and respectability — as well as international mobility — to the Iranian public. This bolsters Pres. Rohani’s reformist/modernizing position at the expense of the ailing “Supreme Leader”, “*Ayatollah*” Ali Hoseini-Khamene’i.

Significantly, despite the “loss” of future nuclear weapons — given that Iran already has a small force of nuclear weapons and a delivery and command and control system for them — the Iranian Revolutionary Guard and Armed Forces benefit enormously from the July 14 deal; they have led the regional dynamic despite having a defense budget of only \$9-billion (2014), *versus* some \$80-billion for Saudi Arabia.

The growing alliance of the Revolutionary Guard and the private sector in Iran — both now increasingly empowered economically — will continue to have political weight, and possibly determine a change in the leadership structure when Supreme Leader Khamene’i, suffering from stage four prostate cancer, passes. Certainly, hints that his second son, Mojtaba Hosseini Khamene’i, 45 or 46 years old, now running the *Basij* militia, would take over as Supreme Leader are damaged by the Accords.

A move to have, say, former Pres. Ali Akbar Hashemi Rafsanjani, the current Chairman of Expediency Discernment Council, step in as the next Supreme Leader would signal the start of a move toward pragmatic rather than religious leadership. Rafsanjani, however, has enemies within the clerical structure. So the longer that Khamene’i lives, the greater the chance that the Revolutionary Guard and civil society can determine a path toward “normalization” in Iranian governance.

This will spell the real start of change in Iran, from the era of clerics to a return to the old “three-legged stool” which was the historical hallmark of Iranian governance: the leader, the military, and the clerics.

In other words, balance will start to return to Iranian governance and society.

3. Impact on Turkey: Turkey may be the most adversely impacted of the regional states; even more so than Saudi Arabia. Ankara took an unequivocal position to destroy Iran’s major ally, Syria, in order to install a pro-Turkish Sunni leader in Damascus. Iran is unlikely to forgive this, and, as of July 14, 2015, is dramatically less dependent on Turkey as a conduit for financing, trade (particularly the trade in sensitive technologies, including those for the nuclear program), and intelligence.

Watch for Iran to move to de-stabilize Turkey (or at least to support the internal opposition); support Greece, Cyprus, and Armenia; and generally disadvantage Ankara. Could Iran also seek to end the decades of hostility with Azerbaijan and offer alternative pipelines from Azerbaijan to the Persian Gulf? This could provide Baku with an option not governed by Moscow.

Iran’s abilities to support the Turkish Kurds to break up Turkey are dampened by the reality that any support for an independent Kurdish state in the region could incite its own Kurdish minority in the Iranian north-

west. Nonetheless, Iranian leaders have for centuries been skilled at working with the various Kurdish tribes and factions, which are notoriously fractious among themselves.

4. Impact on Russia, the PRC, and the SCO: Russia's great skill in recent years has been in balancing its relations on its southern flank. These relations have been with often mutually antagonistic states, and often states which have been reluctant to trust Russia. That Russia has managed to balance Iran and Turkey, and also improve relations with Israel, Egypt, and Syria (as well as Greece and Cyprus) has been the diplomatic achievement of the decade. Now, however, the cat is among the pigeons, and it may be that Russia will be forced to make hard choices, particularly between Iran and Turkey.

A new military cooperation pact in Tehran on January 20, 2015, between Russian Defense Minister Sergei Shoigu and Iranian Minister of Defense and Armed Forces Logistics Brig.-Gen. Hosein Dehqan. This treaty, which finally took Moscow off the fence, was undertaken in anticipation that the P5+1 talks with Iran would succeed. It confirms the Iranian order for S-300 surface-to-air missile (SAM) systems, but also embraced the prospect of upgrading the Iranian air defenses to include the S-400 more advanced system. Russian Pres. Vladimir Putin signed a decree on April 13, 2015, formally lifting a ban on the delivery of S-300 to Iran.

Russia, in September 2014, reached initial agreement with Egypt to provide \$3.5-billion worth of defense equipment.

Significantly, and because of Turkey's NATO membership, the Moscow-Ankara axis has not included a defense component, and Turkey, for the moment, remains a key geographic component in Russian regional strategy. It is the transit region, especially with the essential loss for Russia of Ukraine, for energy flow from the Caspian and Caucasus through to European markets. It also controls Russian naval and maritime trade through the Bosphorus from the Black Sea to the Mediterranean. Thus, despite Moscow's absolute need for Iran as an avenue to the Middle East and Indian Ocean, it has an equally absolute need for Turkey as its avenue to the Mediterranean.

Thus Russia, while content to see a diminution of Iranian military nuclear capabilities, now must fight even harder and more skillfully to retain and balance the affections of Turkey and Iran. Strategically, the P5+1 deal with Iran offers the prospect of the US moving back into the region with some degree of hope.

The question which Russia has is whether the US still has the will and desire to return to the Persian Gulf. Clearly, the great skill which the US exhibited — particularly through Pres. Richard Nixon (1969-74) — in balancing Saudi Arabia and Iran is nowhere today to be found.

So will Moscow attempt to play the balancing rôle between Saudi Arabia and Iran? Riyadh in recent years entertained courting Moscow in order to minimize the Moscow-Tehran relationship. Russia, at least for the short-term, must attempt to remain the dominant partner of Iran, and it will do so for at least a brief period because of the time it will take for both the US and Iran to scale back their rhetoric.

The PRC, meanwhile, has benefited from its friendship with Iran, particularly during its years of isolation. In part, unlike the Iran-Russian ties which have been marked by a history of conflict going back to the Great Game and enduring through World War II and the Cold War, the PRC is seen as a state which has never been hostile to Iran. Moreover, the PRC feels that Iran, unlike Turkey, has not supported the Islamist *jihadi* tendencies of some Uighur elements in China's Xinjiang region.

From Beijing's standpoint, the ending of Iran's international isolation makes it easier for the PRC to encourage full Iranian participation in the Shanghai Cooperation Organization (SCO). Russia would support this, given that closer integration of Iran into the Eurasian trading zone — the new Silk Route — would help keep Iran away from the temptation to look to the US or to look South.

Beijing should be expected to use the transformed situation to explore the prospect of utilizing Iranian land-bridge links from the Indian Ocean (Chahbahar, in Iranian Baluchistan, on the Gulf of Oman/ Arabian Sea) up to Central Asia and across to China. This would provide an alternative and a back-up to the PRC's new investment in Pakistan to broaden the scope of the port at Gwadar, in Pakistani Baluchistan, and road, rail, and pipeline links up through the Karakorams to China.

In summary, the opening of Iran fits nicely with the PRC's strategy of building a network of security for its resource imports from Africa (much of it to ship from Lamu, Kenya, and via Ethiopia and Djibouti, to

Gwadar), and its exports to the Middle East and Europe. Watch for the PRC to improve its military and intelligence linkages with Iran in the near future.

5. Impact on the Middle East: Egypt's careful welcome to the accord was not, as some Israeli commentators have expressed, the result of US pressure on Cairo. Indeed, Cairo has become virtually immune to Washington pressure; this Egyptian acceptance reflected the reality that, for example, HAMAS and Iran have broken ranks (and HAMAS, a Muslim Brotherhood entity, has supported the DI'ISH/Islamic Caliphate entities in Egypt's northern Sinai). As well, Cairo sees the start of a "return of Iran": the old Iran which had good relations with Egypt.

Not that Egypt wishes to break ranks with Saudi Arabia; rather, it will not just follow Riyadh in order to get Saudi investments and loans.

Within the Persian Gulf, the removal of sanctions against Iran will end a period of intensely close and discreet activities from the United Arab Emirates, which has been the key — along with Turkey — to Iranian "sanctions-busting" operations. This has made a distinct sector in the UAE wealthy, but it has also enabled the clerics and key officials in Iran to control the availability of Western goods coming in to Iran. However, in the post-treaty environment, the UAE emerges as a favored communications hub for Iran in the region.

This does not diminish the separate, and more security-oriented, ties which Iran has always had with the Sultanate of Oman. It is probable that Iran-Oman trade may improve in the near future.

The July 14, 2015, P5+1 accord with Iran will be perceived within the Horn of Africa and Red Sea as transforming medium-term strategic outcomes. Iranian interests in the Horn and Red Sea are substantial, and there will be a view that Tehran's close ties with the PRC [see above] could enable Beijing to moderate Iranian adventurism in the region to a greater degree than could the US. It is probable, to counter this, that Egypt may be more willing to engage in supportive relations with Ethiopia than in the recent past (relations have been warming since the Government of Pres. Abdul Fatah Khalil al-Sisi took office in May 2014). The PRC should be expected to attempt an expansion of influence in Sudan, Eritrea, and with proxy tribal movements in Somalia. As well, Iran should be expected to be able to exploit relations in Yemen with the Houthi Zaidi movement in direct proportion to the amount of activity which Saudi Arabia engages in the anti-Zaidi conflict. This will have a direct impact, cross-Straits, for Djibouti and Ethiopia.

In short, so many factors are interrelated while often, at times, contradictory. What is most difficult to assess, in any situation, is the second-tier affects.

6. Impact on Energy Markets: The end of embargoes against Iran — with the fourth-largest known reserves of oil — will certainly free stockpiled and regular oil production in Iran to go onto the open market. This will have the impact of sustaining the low oil pricing for some time, adversely impacting Saudi Arabia and Russia, in particular.

As well, an end to the embargoes may mean that investment could occur in the Iranian oil refining sector, diminishing Iranian dependence on imported refined fuel.

Meanwhile, projects such as the stalled 1,800 km gas pipeline from Iran to Pakistan seems likely now to be completed. Iran had finished its section of the project by 2013; the US and Saudi Arabia pressured Pakistan not to complete its section. Similarly, the proposed Iran-Pakistan-India pipeline link could now be feasible, if it were not for the rapidly growing antagonism which India is showing toward Pakistan.

7. The Impact on the United States: It would normally be anticipated that the US, as one of the key drivers in the P5+1 accords, would be the most likely state — apart from Iran — to exploit and benefit from the situation.

This may not be the case.

There is little evidence of planning in the US to exploit the new opening with Iran. Certainly, Middle Eastern regional states believe that Washington has, for example, partially abandoned Saudi Arabia in favor of Iran.

Arguably, the impact of Iranian oil on the world market, increasing supply and dampening prices, does not help the US' quest for energy independence, given that domestic energy production in the US depends on oil prices ideally remaining above \$50 a barrel. Certainly, in the 1970s and '80s, cheap imported oil was an essential ingredient to US economic and industrial success. Today that is not the case.

So the question must be asked in the short term, given that Iran, despite the July 14 accord, is not yet resolved to trust the US nor ally itself with it: did Washington lose Saudi Arabia (and Israel and Egypt) and yet not win Iran?

In other words, although US Pres. Barack Obama scored a “foreign policy victory” as part of his presidential legacy, is the US strategically better off, having resolved the 36- year dispute with Iran? The answer depends on the extent to which the US can and will now exploit the transformative event.

Several options are pertinent if the US is to capitalize on its “foreign policy success” with the accords:

- The Obama Administration must get past the decades of hostility which have developed toward Iran within the US political, bureaucratic, and media communities. There is no evidence that even the White House has a plan to replace its own threats against Iran with a more diplomatic approach, even apart from dampening the years of mistrust of Iran;
- The Obama Administration must offer some credible program to counter Israeli hostility to the accords, particularly because of the impact that this has in supporting Republican Party entrenched opposition to the accords;
- The US would need to create concrete confidence-building measures (CBMs) between Saudi Arabia (in particular) and Iran;
- The US needs to review its approaches to Turkey and Qatar — as the major fonts of anti-Iranian activities in Syria — if it hopes to avoid its recent habit of making progress with one hand, only to undermine it with the other. Turkey and Qatar are profoundly committed to the expansion of the Muslim Brotherhood as the way of the future in the region, and yet not only is Iran opposed to the Brotherhood, so, too, are the Saudis, the UAE, Kuwait, Bahrain, Oman, Egypt, Israel, and Lebanon. In other words, is the White House going to continue to reinforce its relations with Turkey and Qatar — which align with those, apparently, of Pres. Obama — and lose not only Iran but all the other states of the region, or will it use its good offices to dampen the proselytization of Muslim Brotherhood ideology? There is no evidence that the Obama Administration has considered this watershed decision.

The major question to be asked of the US leadership is whether there are coherent plans to exploit the signing of the agreement with Iran. There is no evidence that such planning exists, despite the opportunity.

The Enduring Consequences

Everything in the Northern Tier, the Persian Gulf, and, to a degree, the Indian Ocean is now open to change, unless the July 14 pact is somehow undermined.

The options for Iran and many powers — the US and the PRC included — are open once again.

Saudi Arabia’s aspiration to be the dominant strategic — as opposed to economic — power in the region were only feasible in the *absence* of Iran. It is not merely a function of population size (some 80- million in Iran, compared with some 28-million in the Kingdom), but national cohesiveness and culture. Iran has always been prepared to do what it had to do to sustain its prestige, and, after the post-1979 interregnum, is returning to its historical perception of itself.

Iran’s re-emergence will bring it back into the Indian Ocean as an increasingly active player. What the Shah began will now resume. But this time, Iran returns to the Indian Ocean at a time of intense PRC commitment to the Ocean and to Africa, which will make the Indian Ocean once again a center of dynamic strategic rivalry.

The US has, until now, paid only lip service to the Indian Ocean as the dynamic aspect of the Indo-Pacific whole. Even Australia, with the largest uninterrupted coastline on the Indian Ocean, does not view it strategically enough to match its own vital interests.

There is every reason to believe that the first stage of Iranian projection southwards will be in the form of consolidating its influence over the entrance to the Red Sea. It is already heavily present on the ground in the region. And in this region, then, it will be greatly in the interests of Egypt, Ethiopia, the US, the PRC, and India, for example, all to understand and possibly attempt to influence Iran’s strategic posture.

It is significant that Egypt, Pakistan, India, the PRC, and Russia are well advanced in working with Tehran. Australian Foreign Minister Julie Bishop also made a discreet but significant visit to Tehran in April 2015.

In all of this, however, the key is whether the accords will start the process of substantive change *within* Iran, or whether the clerical leadership, sensing a challenge from an increasingly empowered population, will revert to greater control over Iranian society. A less theocratic Iranian system would imply a continuation of the return to Persian identity. This alone would transform Iran from strategic vacuum to strategic force.

Footnotes:

1. Gregory Copley is Editor-in-Chief of *Defense & Foreign Affairs* and President of the International Strategic Studies Association (ISSA). Dr Assad Homayoun, a Senior Fellow at ISSA, is also President of the Azadegan Foundation, which studies aspects of Iranian history, security, and culture.
 2. P5+1: The five Permanent Members of the United Nations Security Council — the United States of America, the United Kingdom, France, Russia, and the People's Republic of China — plus Germany.
 3. See, for example: "Iran Acquires Nuclear Weapons And Moves To Provide Cover to Syria", in *Defense & Foreign Affairs Strategic Policy*, 2-1992; "Iran Achieves Multi-Tiered Military Nuclear Readiness, Ignored by Washington", in *Defense & Foreign Affairs Special Analysis*, [March 7, 2006](#) (and in *Defense & Foreign Affairs Strategic Policy*, 2/3-2006); "Iran, North Korea Test Deployments of National Command Authority Systems, New Nuclear Systems", in *Defense & Foreign Affairs Special Analysis*, [September 27, 2004](#) (and, as "Nuclear Age II", in *Defense & Foreign Affairs Strategic Policy*, 10-2004.
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