

Making Sense of the Iran Nuclear Deal: Geopolitical Implications

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In a meeting with government officials on July 18th, four days after the conclusion of the nuclear agreement, President Rouhani of Iran praised the work of his negotiating team and called the deal a triumph. Is the President right? Does the deal really signify a victory for Iran, as he claims, or an elusive surrender, as a number of critics have pointed out? To answer these questions, a brief review of the contents of the agreement is in order.

The Nuclear Deal in Brief

A close reading of the contents of the deal reveals that the agreement places severe restrictions on, and extensive monitoring of, all aspects of Iran's nuclear technology in return for a promise of gradual removal of sanctions. It would effectively establish U.S. control (through IAEA) over the entire production chain of Iran's nuclear and related industries—from uranium mining, to centrifuge manufacturing, to enrichment processing. As President Obama put it (on the day of the conclusion of the agreement): "Inspectors will have access to Iran's entire nuclear supply chain—its uranium mines and mills, its conversion facility and its centrifuge manufacturing and storage facilities. . . . Some of these transparency measures will be in place for 25 years. Because of this deal inspectors will also be able to access any suspicious location."

These restrictions include the following: downgrading Iran's enrichment capabilities from 20% of purity to 3.67%, freezing this minimal level of 3.67% enrichment for 15 years, reducing its current capacity of 19000 gas centrifuges to 6104 (a reduction of 68%), reducing its stockpile of low grade enriched uranium from the current level of 7500 kg to 300kg (a reduction of 96%), and imposing strict limits on its research and development activities. While some restrictions on research and development are promised to be relaxed after 10 years, others will remain for up to 25 years.

In addition, Iran would have to accept an extensive monitoring and inspection regime not only of declared nuclear sites but also of military and other non-declared sites where the monitors may presume or imagine the incidence of "suspicious" activity —the monitoring will be 24/7. The elaborate system of monitoring and inspection was succinctly described by President Obama on the day of the conclusion of the agreement in Vienna (July 14, 2015): "Put simply, the organization responsible for the inspections, the IAEA, will have access where necessary, when necessary. That arrangement is permanent."

It is true that in theory, or on paper, Iran could object to inspectors' excessive or unreasonable access requests. In practice, however, its hands are tied because an arbitration commission that would be set up to judge whether the inspectors' access

requests are justified is not independent of the powers or authorities that are behind the inspection requests. In other words, the plaintiff, the prosecutor and the judge would be the same: the U.S. and its allies that heavily influence the IAEA decisions and operations. So, the projected arbitration process seems to be merely a formality, designed largely to pacify Iranian voices critical of the deal.

Sanctions relief is promised in return for Iran's commitments listed above. However, the deal attaches a number of potentially problematic principles to the relief program.

To begin with, while Iran has accepted to put into effect all its commitments in the first six months of the deal, sanctions relief would be phased in over a period of 10 years. Second, the relief will not begin until Iran has verifiably put all its commitments into effect. In other words, the so-called "implementation phase" of the agreement has diametrically opposed meanings for the two sides of the deal: while for Iran it means the end of the implementation of its commitments, for the U.S. side it means the beginning of the implementation of their promises. Third, a "snap-back" clause, enabling rapid re-imposition of sanctions if Iran is deemed in non-compliance, effectively gives the U.S. and its allies the whip-hand over the deal's implementation.

It is obvious from these stipulations that while the "snap-back" clause and other binding conditions of the deal guarantee Iran's compliance with the agreement, it leaves the U.S. side free from similar guarantees or obligations of carrying out their end of the bargain. Thus, for example, if at the end of the first six months, or at any time during the following 10 years of gradual sanctions relief, the U.S. reneges on implementing its promises, Iran would not be able to do anything about it. It could certainly say "the deal is off." But that won't be helpful either because it would simply take the nuclear issue back to *square one*, so to speak, except that Iran would now find itself in a much weaker position, since it would have already given away, or rendered ineffectual, all its earlier trump cards: its 20% enriched uranium, its 19000 centrifuges, its 7500 kg stockpile of enriched uranium, its robust research and development facilities and scientists, as well as its advanced ballistic missiles. Furthermore, by then the U.S. and its allies would have gained access to, and therefore acquired information on, many of Iran's vital nuclear, military, intelligence, and national security sites and documents.

Prior to the conclusion of the deal, President Rouhani and his negotiation team had repeatedly told the Iranian people that their country's "red lines," as laid down by Supreme Leader Ayatollah Khamenei and passed into law by the Iranian parliament, would not be violated. Top among those red lines were: (a) simultaneous implementation of the agreement by both sides; (b) no access to military sites; (c) no access to nuclear scientist; (d) no restrictions on research and development; and (e) preservation of industrial-level enrichment as the minimum level of enrichment.

The brief sketch of the nuclear deal provided above clearly shows that, contrary to repeated claims of Iran's negotiators, all the so-called Iranian red lines are breached.

This is perhaps why for the 20-month long duration of negotiations Iran's negotiators did not reveal to the Iranian people all the asymmetrical compromises they had made; ostensibly out of a fear that that the people's knowledge of what was being given away behind their back might have derailed the negotiations.

This is also perhaps why once the lopsided or unfair nature of the agreement was exposed at the conclusion of negotiations (14 July 2015), it was quickly voted on and ratified by UN Security Council (20 July 2015), thereby depriving Iran's parliament, its Supreme National Security Council, its defense and security apparatuses—in short, the Iranian people— from having a say in the adoption of the unfair deal by the UN Security Council.

Formally, the text of the deal is currently under review by Iran's parliament and Supreme National Security Council for modification, adoption or rejection. In practice, however, this is an exercise in self-deceit as the outcome of this review would have no bearing on the obligations created for Iran by the UN Security Council's adoption of the agreement, codified as Resolution 2231. This means that the entire process of the nuclear talks (from its formal inception in Geneva in November 2013, through its 20-month long secret negotiations, all the way up its hasty adoption by the Security Council on 20 July 2015) was carried out essentially behind the back of the Iranian people—a highly undemocratic method.

Geopolitical Implications

There are clear indications that proponents of the nuclear deal on both the Iranian and the U.S. sides are aiming at broader economic and geopolitical collaborations than just the nuclear agreement. Characterizing the deal as a diplomatic success, Iran's Foreign Minister Javad Zarif, recently declared, for example, "The atmosphere is now quite ripe for broadening of regional and international cooperation." Earlier he had pointed out that the deal would "open new horizons" for cooperating in "the fight against extremism"—a hint at the prospects of Iran formally joining forces with the U.S. in the fight against groupings such as ISIS and Al-Qaeda.

According to Islamic Republic News Agency (IRNA), President Rouhani of Iran also made a similar suggestion in a recent (July 18th) phone conversation with the British Prime Minister David Cameron, indicating that concerted efforts in the fight against extremist groups in the region was vital for their defeat. Cameron's office stated that the prime minister had expressed the hope that the nuclear agreement would mark a fresh start to relations between Britain and Iran and indicated that the nuclear negotiations had touched on such issues as civil wars in places like Iraq and Yemen.

These and many similar statements, as well as the very acceptance of the not-so-honorable nuclear deal, indicate that powerful voices in and out of the Rouhani administration are gradually but systematically abandoning the revolutionary-era resistance to domineering imperialistic plans—even when such plans entail compromising on fundamental issues of sovereignty and national security.

The Obama administration too has indicated that the nuclear deal would or could be the beginning of wider collaboration with Iran; and that it intends to use the nuclear deal to coerce Iran to assist the U.S. in pursuing its geopolitical goals in the region. Reversing previous policy of excluding Iran from geopolitical discussions in the area, President Obama recently announced that Iran should "be part of the conversation" in resolving the Syrian conflict.

By adopting this new tactic to enlist Iran's cooperation, the Obama administration pursues a number of objectives.

The first objective is that by moderating, neutralizing and/or enlisting Iran's cooperation, it

would automatically break up or undermine the challenge to its policies posed by the so-called “axis of resistance”—consisting of Iran, Hezbollah, Assad’s Syria, and Shi’a forces/government in Iraq, Yemen and Bahrain. By the same token, it would also win Iran away from getting too close to Russia and China.

The second objective is that, by thus making its interventions and military adventures in the region less challenged, or better managed, it can then act more aggressively toward Russia and China, which are increasingly perceived as more “menacing to worldwide U.S. interests” than any other country.

The third objective is that the new tactic could help Europe to substitute imports of oil and gas from Iran for those from Russia, thereby undermining Russia’s influence over Europe.

These and similar signs of potentially broad partnerships between Iran and Western powers have created a widespread impression that for Israel, Saudi Arabia and other allies of the United States the agreement signals a loss of influence while, by the same token, it indicates a gain of power and prestige by Iran and, by proxy, its allies in the region.

These perceptions and projections seem to be based on the presumption that the nuclear deal represents a voluntary agreement between equal or near-equal sides. In reality, however, the deal is far from a voluntary agreement between two equally-positioned traders or dealers. Iran negotiated under duress. Largely shut out of normal international trade, and constantly threatened by economic strangulation, it essentially negotiated at gun point. As an astute observer of the negotiations has pointed out, “Iran voluntarily agreed to the deal the same way that a robbery victim voluntarily agrees to give up valuable possessions.” Not surprisingly, the deal is tantamount to an elaborate document outlining (in subtle ways) the terms of Iran’s surrender.

Also not surprisingly, a number of observers have characterized it as the “nuclear Turkmenchay”, a reference to the infamous 1828 Turkmenchay Treaty as a result of which Iran lost vast territories in the Caucasus (including Baku, Shirvan, Ganja, Nakhichevan, and Yerevan) to Tsarist Russia.

The question is why did the Iranian ruling circles, represented by the Rouhani administration, accept such an unsavory deal?

In the face of the brutal economic sanctions, threatening an economic collapse and potentially a popular uprising that would threaten the power and property of the ruling elites, these elites faced (and, indeed, extensively debated) two alternatives to solve Iran’s economic problems and preserve their rule: “resistance” economics vs. austerity economics.

According to resistance economics, suggested by Ayatollah Khamenei and supported by radical segments of opposition voices to neoliberal policies of the Rouhani administration, Iran should view economic sanctions as an opportunity to become self-reliant: to utilize domestic talents and resources in order to become self-sufficient by producing as many of the consumer goods and other industrial products as possible. Indeed, by following, more or less, this philosophy of resistance economics prior to the rise of Mr. Rouhani to presidency, Iran made considerable progress in scientific research, technological know-how and manufacturing industries. Proponents of this alternative also advocate relatively strong social safety net programs to protect the financially disadvantaged segments of citizens.

The other alternative, advocated by the Rouhani administration and its allies, calls for the adoption of supply-side, neoliberal or austerity economics. According to this doctrine, solutions to economic stagnation, poverty and under-development lie in unhindered market mechanism and unreserved integration into world capitalist system. Recessions, joblessness and economic hardship in many less-developed countries are not so much due to economic mismanagement or the nature of global capitalism as they are because of government intervention and/or exclusion from world capitalist markets.

As most of the former leaders of the 1979 revolution have aged, their earlier revolutionary appetite for radical economic alternatives also seems to have faded. By the same token, they seem to have acquired an avid appetite for the accumulation of power and property. Accordingly, the revolutionaries-turned-oligarchs, both in and outside the Rouhani administration, have shunned “resistance” economics in favor of the U.S.-style austerity economics as remedy to Iran’s economic ills and, therefore, to the salvation of their rule.

This helps explain why the nuclear deal is so lopsided against Iran: since President Rouhani and his negotiating team did not restrain their belief that the solution to Iran’s economic problems lay with its joining global financial markets, or contain their enthusiasm to be accepted to the pantheon of Western capitalism, they inadvertently weakened their bargaining position. By the same token, they led the United States and its allies to *play hardball*.

It also helps explain why the deal, if ratified by the U.S. congress, may do more damage to Iran than stunting its scientific research and development, or holding back its technological progress. Perhaps more importantly, it would undermine Iran’s sovereignty as it would find it difficult to resist or oppose to U.S. (and its allies’) geopolitical designs in the region lest that should trigger a “snap-back” of economic sanctions.

Indeed, in the event of any future geopolitical disagreement or dispute with the U.S. and its allies Iran would be facing a situation akin to a plea bargaining scenario: take what it is offered, or face “crippling” economic sanctions.

Viewed in this light, the post-nuclear deal Iran would not be in a position to resist, let alone influence, the U.S. (and its allies’) geopolitical designs in the region. And this is why, contrary to popular perceptions, the deal represents a victory not for Iran (and its allies) but for U.S. allies such as Israel and Saudi Arabia—Benjamin Netanyahu’s screaming and breast-beating notwithstanding.

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