A Necessary Evil:
Engaging Iran to Foster Stability
Submitted by
LT A. J. Stegall, MSC, USN
To
MAJ C. J. Bronzi, USMC
CG-12

19 February 2008

maintaining the data needed, and c including suggestions for reducing	lection of information is estimated to ompleting and reviewing the collect this burden, to Washington Headqu uld be aware that notwithstanding an DMB control number.	ion of information. Send comments arters Services, Directorate for Info	s regarding this burden estimate ormation Operations and Reports	or any other aspect of the state of the stat	his collection of information, Highway, Suite 1204, Arlington
1. REPORT DATE 19 FEB 2008		2. REPORT TYPE		3. DATES COVERED <b>00-00-2008 to 00-00-2008</b>	
4. TITLE AND SUBTITLE				5a. CONTRACT NUMBER	
A Necessary Evil: Engaging Iran to Foster Stability				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) United States Marine Corps, Command and Staff College, Marine Corps Combat Dev, Marine Corps University, 2076 South Street, Quantico, VA, 22134-5068				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAIL Approved for publ	LABILITY STATEMENT ic release; distributi	on unlimited			
13. SUPPLEMENTARY NO	TES				
14. ABSTRACT					
15. SUBJECT TERMS					
16. SECURITY CLASSIFIC		17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES	19a. NAME OF RESPONSIBLE PERSON	
a. REPORT unclassified	b. ABSTRACT <b>unclassified</b>	c. THIS PAGE <b>unclassified</b>	Same as Report (SAR)	16	

**Report Documentation Page** 

Form Approved OMB No. 0704-0188 In the halls of the British Foreign Office there is a framed cancelled check on display. Written in 1871, it hangs as a reminder for all future British ministers to avoid third party foreign adventures. The product of three years of negotiations, the check also represents the reconciliation of two nations harboring century-old grievances and set the course for what could be the strongest alliance in history- that of the United States and Great Britain. A similar reconciliation must occur with the United States and Iran.

Since the release of the November 2007 National Intelligence Estimate (NIE), there has been mounting pressure for the United States to engage Iran. However, the conclusion that Iran has suspended certain nuclear activities and now deserves a reward by dialogue simplifies the issues between the United States and Iran. Regardless of Iran's nuclear ambitions, the United States must engage Iran unconditionally in order to influence regional stability as well as overt and covert actions of Iran and it's proxies. The United States should use diplomatic and economic channels to highlight common goals, enhance

-

Burton J. Hendrick, The Life and Letters of Walter H. Page, Volume I. (Garden City, New York: Doubleday, Page and Co., 1922), p. 390.

cooperation and apply pressure to achieve American objectives.

### **PERSPECTIVE**

Third nation use of insurgents or proxies in a national conflict is a common occurrence. When an outside entity determines that one side in a fractious conflict represents its interest, it will assist that side. During the American Civil War, Britain supplied arms and exchanged diplomatic agents with the Confederacy. In 1984, the United States began supplying weapons to Afghan insurgents fighting the Soviet Union and the Soviet-backed, officially recognized government in Afghanistan. Despite outside interference, both conflicts remained internal. Ultimately, Union diplomatic efforts and timely battlefield victories, influenced the British to not formalize relations with the Confederacy while Soviet and American motive and support for their respective interests ended in 1992, leaving the Afghans to sort out the mess.<sup>2</sup>

Beyond employment of military force, a sovereign nation has few options to successfully counter third party interference. The British leveraged diplomatic pressure to influence U.S. domestic arms trafficking law while

Working Group Report, No. IV. The US and Soviet Proxy War in Afghanistan 1989-1992: Prisoners of Our Preconceptions? (Washington, DC: Institute for the Study of Diplomacy, 2005), p. 11.

weakening Irish-American popular support for the Irish
Republican Army through a vigorous public relations
campaign.<sup>3</sup> In Lebanon, there has been a lessening of Syrian
influence, at great cost to Lebanese politicians, due to a
combination of domestic agitation and demonstration as well
as international pressure on Syria. Both examples indicate
that with patience, pressure, and engagement, a nation can
successfully counter third party intervention without
trans-national conflict.

After the fall of the Hussein regime in Iraq, groups emerged bearing the full support of neighboring states, foreign powers, and global networks. The rush to establish a legitimate government only exacerbated the situation, with fault lines emerging based on religion, ethnicity, and location. In establishing a democratic government, the path was open for non-Iraqi actors to provide support to their interest. Two nations had particular interest and history within Iraq, which they quickly expanded: the United States and Iran.

-

Daniel Byman, "Passive Sponsorship of Terrorism." Massachusetts Institute of Technology Studies Seminar, 6 October 2004, p. 3.

### **DIPLOMACY**

The United States must engage Iran diplomatically in order to leverage common goals, reinforce economic efforts and to build a cooperative relationship. The absence of formal diplomatic relations for almost 30 years has made this almost impossible. However, the United States has demonstrated it can and will work with Iran. But the United States has also rejected and rebuked Iran, often with unintended consequences.

After the terror attacks of September 11, 2001 the Iranians participated in plans to topple the Taliban in Afghanistan. Iran had opposed the Taliban even before September 11, 2001. During U.S. and NATO action in Afghanistan, Iran was a silent partner and agreed to rescue any Coalition pilots in its territory. Additionally, Iran participated in the Bonn Conference and the Afghan Donor Conference in Tokyo, committing twice as much funding for Afghanistan as the U.S. It was shortly after the Bonn and Tokyo Conferences that President Bush would label Iran as one of three nations in the "axis of evil."

\_

<sup>&</sup>lt;sup>4</sup> Ali M. Ansari, p. 180.

<sup>&</sup>lt;sup>5</sup> Ansari, p. 183

<sup>&</sup>lt;sup>6</sup> Testimony: James Dobbins. *Negotiating with Iran*. Presented before the House Committee on Oversight and Government Reform, Subcommittee on National Security and Foreign Affairs on November 7, 2007. (Arlington, VA: RAND, 2007), p. 3.

<sup>&</sup>lt;sup>7</sup> Testimony: James Dobbins. P. 7.

Classifying Iran as a member of the "axis of evil" alienated a cooperative, moderate Iran. Not only did this ignore Iranian assistance; it was an indicator for Iran that their efforts to engage were futile, and would become a key reason for the election of an Iranian hard line parliament in 2004.8

The election of hardliners led to increased posturing by Iran in the international community and in Iraq. Under the threat of U.S. action against it, Iran began to train, equip, and supply insurgent groups in Iraq. The mutual distrust between Iran and the U.S. is a result of the hostile nature of relations since 1979 and Iranian grudges resulting from historical foreign intrigue, mainly from U.S. support for the Shah and European colonial domination of Iran. This distrust has hampered stability in Iraq, though both sides understand the need for stability.

Iraqi instability brought the two nations together in Baghdad over the summer of 2007 in a diplomatic effort to address the proliferation of Iranian arms and personnel

 $<sup>^{8}</sup>$  Ali M. Ansari, *Confronting Iran*. (New York, NY: Basic Books, 2006), p.

<sup>&</sup>lt;sup>9</sup> Missy Ryan, "Iranian weapons still a problem in Iraq- US Military." Reuters, 18 November 2007, wire report.

into Iraq. 10 With the Iraqi government facilitating talks on stability, triangulation diplomacy began.

after the 1991 Gulf War, the U.S. and Iran had surprisingly similar interest in Iraq, exemplified by the mutual support of insurgent groups in the south and north within the "no-fly zones." However, the Iranians have much stronger ties with the groups in Iraq; both are Shia majority nations, and Iran shares a long, porous border with Iraq.

After the U.S. led invasion in 2003, there was a shift in this common support, primarily due to the fracture of internal Iraqi politics and society, but also due to U.S. policy. The United States inadvertently empowered the Iranian supported political elements in Iraq. The U.S. provides indiscriminate support for legitimate parties in order to create security and stability as well as establish democracy. The Iranians continue to support the Shia factions, which aggravates religious conflict. Compounding this is the unofficial support provided by elements of the

 $<sup>^{10}\,\</sup>mathrm{Robin}$  Wright, Sec Al4.

Daniel Byman, et al, Trends in Outside Support for Insurgent Movements. (Arlington, VA: RAND, 2001), p. 27.

Iranian government and military to the more militant parties in Iraq. 12

Iran has demonstrated diplomatic ability and willingness to deal with Western powers. Triangulation diplomacy through other nations provides an acceptable initial platform for engagement and should continue.

## **ECONOMICS**

The U.S. must engage Iran economically to support diplomatic efforts and encourage domestic stability in Iran. In evaluating the benefits of economic engagement with Iran, the United States must consider several factors: location, population and alignment.

Iran is a key to global trade due to geography and oil and natural gas transport. Iran also controls the Gulf chokepoint at the Straits of Hormuz. 13 Both are vital to the global economy and unique to Iran for supply and access.

Population-wise Iran has approximately 70 million people compared to Iraq's 28 million. This represents a significant untapped market for U.S. commercial products. Political stability and economic security are mutually

<sup>&</sup>lt;sup>12</sup> Robin Wright, "Iranian Flow of Weapons Increasing, Official Say." Washington Post, 3 June 2007. Sec A14.

<sup>&</sup>lt;sup>13</sup> Ali M. Ansari, p. 137.

supportive. 14 Without direct access, the United States has empowered other nations, such as Dubai, to circumvent U.S. laws while reaping the international economic reward vis-àvis Iran. 15 The United States has also denied U.S. markets to nations who invest in Iranian gas or oil industries through the Iran-Libya Sanctions Act (ILSA). 16 Prior to the U.S. limiting commercial involvement, Iran attempted to award a \$1 billion contract to CONOCO (a U.S. oil company) and to purchase Boeing commercial aircraft. 17 Economic partnership was an opportunity to engage Iran without compromising political considerations and when combined with diplomacy, would have been an effective tool.

In relation to Iraq, Iran stands to gain most from economic ties than any other nation. There is certainly a motivation to develop Iraq as a commercial market. Iranian inability to refine oil products has placed significant burden on domestic spending which could be alleviated through the use of Iraqi petroleum facilities.

Until sanctions are lifted, and foreign technology can be invested, crippling Iranian domestic subsidies will

<sup>&</sup>lt;sup>14</sup> Missy Ryan, wire report.

<sup>&</sup>lt;sup>15</sup> Ali M. Ansari, p. 142.

<sup>&</sup>lt;sup>16</sup> Ansari, p. 144.

<sup>&</sup>lt;sup>17</sup> Ansari, p. 142.

continue. 18 The risk of not engaging economically is that Russia, China, or India will fill the void.

Russia and India are not natural allies of Iran and so far this has prevented full alignment. Currently Russia is assisting Iran with enriched Uranium and will continue to develop relations with Iran, particularly in light of Russia's toughening stance with the West and determination to exert influence globally. The U.S. cannot surrender the economic high ground to Russia or China; by providing emerging powers the opportunity to assume opposite policies of the United States, the U.S. weakens its position and could face an economic cold war.

# COUNTERARGUMENT

One might argue that it is impossible to unconditionally engage Iran as demonstrated by recent Iranian naval activity and efforts to embarrass the United States government by revealing unpublicized meetings in Paris. Iran has not displayed an ability to control the more aggressive elements of its military and political system. The organized marches against the United States, prayer calls that include the phrase "Death to America," and continued sponsorship of terrorist organizations

\_

<sup>&</sup>lt;sup>18</sup> Ansari, p. 142.

indicate that this is a regime incapable of constructive dialogue in the modern world. 19 However, based on other nation's actions in Iraq, U.S. tolerance and cooperation with questionable regimes, and realizing the reliance the current Iranian regime has on vilifying the United States, it becomes apparent that Iran is capable of honest brokering.

Without positive control over the more extreme elements it would be difficult for the United States to insure that any agreement with the government of Iran would be honored. However, since June 2007, the United States has met three times with Iranian diplomats in Iraq to discuss security. The outcome of these meetings has been a decrease in insurgent attacks as noted by the U.S. Ambassador to Iraq, Ryan Crocker and data indicating Iran has halted the flow of weapons to Iraq. This shows that Iran can control the rouge elements and will be accountable.

Regional allies would balk at the U.S. engaging Iran.

In particular the Gulf States, who have purchased vast

amounts of expensive military hardware to counter the

Iranian threat, might remove base rights, seek alliances

with Russia, India, Pakistan or China. The reality is that

<sup>19</sup> Ali M. Ansari, p. 181.

<sup>&</sup>lt;sup>20</sup> Missy Ryan, wire report.

each regional nation has it's own agenda regarding Iran and interest in Iraq. In particular, Saudi Arabia has positioned itself as the counter to Iran. Weapons, funding, and people have flowed from Saudi Arabia to Iraq to support co-religionist and to execute Jihad against Coalition troops in much greater number than those from Iran. Citizens of the U.S. ally comprise 45% of suicide bombers. None have been Iranian. 21 Despite this, the U.S. remains very engaged with Saudi Arabia and continues to sell advanced weapons to the Saudis and other Gulf States.

The current Iranian leadership depends on the vilification of America and cannot risk this image and constructively collaborate with the U.S. The Iranians understand the need for normal relations with the West and have the ability to shift anti-American propaganda and have done so in the past. On two occasions the Iranian government has demonstrated a willingness to normalize relations by presenting a "Grand Bargain." Both times it was refused.<sup>22</sup>

Iran is the problem the U.S. politicians, media, and military have promoted for 25 years, and we cannot expect any positive result from engagement. The fallacy of this

<sup>&</sup>lt;sup>21</sup> Jessica Bernstein-Wax, "Studies: Suicide Bombers in Iraq mostly foreigners." McClatchy Newspapers, 8 August 2007.

<sup>&</sup>lt;sup>22</sup> Ali M. Ansari, p. 247.

idea is obvious in the mirror images of Iran and the United States. Just as Iran has vilified the United States, the converse has occurred. Iran has been a useful political, journalistic, and comedic tool for Americans. The image of the "mad mullah" and reports on the backwardness of Iran disregard the complexities of Iranian society the same way Iranian authorities promote U.S. society as immoral and its government a "Great Satan."

### CONCLUSION

The comparison of U.S. and British relations from 1770 until 1871 with U.S. and Iranian relations from 1911 until present is quite relevant. Both relationships are marked by conflict, intrigue, misunderstandings, revolution, technological changes, and the fact that each nation had more in common with each other than the allies it used as proxies or counter-balances.<sup>23</sup>

The United States must engage Iran along all fronts.

The United States has a responsibility to be a pro-active,

open, and engaging nation. The U.S. cannot impact Iran

unless it is talking to them, without conditions.

The current Iranian government does not enjoy popular support and promotes nationalistic goals like nuclear power

\_

<sup>&</sup>lt;sup>23</sup> Testimony: James Dobbins. P. 8.

and territorial integrity to offset a weak domestic policy. 24 Highlighting recent interaction, and continuing triangulation, the United States can mitigate the Iranian regime's use of the "Great Satan" as a means to retain power. This will force the Iranian population to focus inward and implement change.

As the sole "superpower" it is an obligation of the United States to engage every nation. The U.S. has a history of benevolence and initiating discourse with non-allied states. In much the same way that Nixon opened relations with the Chinese it will require a bold, unconditional effort. It is time for the United States to assume the responsibility of a great nation and begin the path towards establishing an alliance with its true natural and necessary ally in the Middle East.

Word Count: 2,162

2

 $<sup>^{24}</sup>$  Fareed Zakaria, "Make Iran an Offer It Might Refuse." Newsweek, 8 December 2007, p. 15.

#### **BIBLIOGRAPHY**

Ansari, Ali M. Confronting Iran. New York, NY: Basic Books, 2006.

Berstein-Wax, Jessica. "Studies: Suicide Bombers in Iraq are mostly foreigners." McClatchy Newspapers, 8 August 2007.

Byman, Daniel. "Passive Sponsorship of Terrorism."
Massachusetts Institute of Technology Studies Seminar, 6
October 2004.

Byman, Daniel; Chalk, Peter; Hoffman, Bruce; Rosenau, William and Brannen, David. Trends in Outside Support for Insurgent Movements. Arlington, VA: RAND, 2001.

Etzioni, Amitai. "Engaging Iran, slowly." The Christian Science Monitor, 4 June 2002.

Hendrick, Burton J. The Life and Letters of Walter H. Page, Volume I. Garden City, New York: Doubleday, Page and Co. 1922, page 390

National Intelligence Estimate, *Iran: Nuclear Intentions* and *Capabilities*. Washington, DC: National Intelligence Council, 2007.

Ryan, Missy. "Iranian weapons still a problem in Iraq- US Military." Reuters, 18 November 2007.

Testimony: James Dobbins. *Negotiating with Iran*. Presented before the House Committee on Oversight and Government Reform, Subcommittee on National Security and Foreign Affairs on November 7, 2007. Arlington, VA: RAND, 2007.

Working Group Report, No. IV. The US and Soviet Proxy War in Afghanistan 1989-1992: Prisoners of Our Preconceptions? Washington, DC: Institute for the Study of Diplomacy, 2005

Wright, Robin. "Iranian Flow of Weapons Increasing, Official Say." Washington Post, 3 June 2007.

Young, Michael. "A Rivalry Transcending a Nuclear Iran." The Daily Star, 15 December 2007.

Zakaria, Fareed. "Make Iran an Offer It Might Refuse." Newsweek, 8 December 2007.