



# Passing the BATON

*Foreign Policy Challenges and  
Opportunities Facing the New Administration*

## Morning Panel 4: “Confronting or Engaging Iran”

Speakers: **Daniel Brumberg**, Special Advisor, Muslim World Initiative, United States Institute of Peace;  
**Qamar-ul Huda**, Senior Program Officer, Center for Religion and Peacemaking, United States Institute of Peace;  
**Suzanne Maloney**, Former policy advisor, U.S. Department of State;  
**Avner Cohen**, Former Senior Fellow, United States Institute of Peace;  
**Bill Luers**, President, United Nations Association of the United States;  
**Frank Wisner**, Vice Chairman, American International Group

### Main Issues

In light of growing calls in Washington for diplomatic engagement of Tehran, this panel discussed the challenges and choices confronting the United States in managing its relations with Iran under the Obama administration. The discussion revolved around the regional and global obstacles to successful US-Iranian talks; how the two countries should address their various points of disagreements, most notably the nuclear issue; and what relevant lessons can be drawn from previous US policies vis-à-vis Iran.

Panelists identified three potential options for dealing with Iran: military options, sanctions, and diplomatic engagement. Most panelists agreed that the military option is highly unattractive, if not wholly unacceptable, given the current regional state of affairs. Meanwhile, sanctions have historically had a poor record in extracting concessions from Tehran, according to Suzanne Maloney. Avner Cohen, however, suggested that the option of a naval blockade should not be dismissed. Panelists generally agreed that diplomatic engagement is the most viable option, a perspective that evidently prevails in both Washington and Tehran policy circles.

Achieving a mutually acceptable compromise on Iran’s nuclear program is not impossible, says Cohen, but all possible solutions will require tolerating some level of Iranian nuclear enrichment. Iran is unlikely to eliminate its nuclear program, yet there is evidence that it would be willing to compromise within the parameters of the Non-Proliferation Treaty (NPT). Like Japan and others, Iran would like to retain the capacity to develop a nuclear weapon within a relatively short period of time – in the order of weeks to months -- while technically adhering to the NPT.

Iran’s desire to stay within the grey-zone of nuclear capability provides a small window of opportunity for resolving this dispute. Japan and other US allies are allowed to remain in this zone because their intent is perceived to be peaceful. In the mid-term, however, Cohen proposes installing firewall devices that could provide the U.S. with early warning signs of any non-peaceful use of Iran’s nuclear resources, and William H. Luers proposed an internationally coordinated inspection program of Iranian nuclear capabilities.



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Future attempts to engage Iran must incorporate a keener interpretation of Iran's ever changing internal dynamics, said Maloney. Successive American administrations have consistently misinterpreted Iran's domestic politics, misreading many critical turns such as the Iranian revolution, the political ascendance of former President Mohammad Khatami and the election of President Mahmoud Ahmedinejad.

One political community that is often misunderstood by Washington is Iran's religious clergy, according to USIP's Qamar-ul Huda. Given their vast influence over the domestic political arena, understanding Iranian religious leaders' diverse worldviews and assessments of American policies will be a critical task for decision-makers in Washington. Some prominent religious leaders who had adhered to anti-Western stances in the past have shifted their positions on engagement with the United States. Even some leaders who continue to engage in anti-American rhetoric have expressed privately that they support diplomatic dialogue with the U.S.

## **Policy Conclusions\***

Panelists generally agreed that the U.S. must engage in direct dialogue with Iranian officials. To ensure the success of engagement efforts, panelists recommend the following actions by the Obama administration:

1. Announce explicitly that military options are not under consideration.
2. Reiterate that the U.S. will talk to any nation without preconditions.
3. Do not link overtures to Iran to changes in its leadership.
4. Create clear incentives and concrete rewards for Iranian concessions.
5. Devise a strategy that takes into account the unpredictability of Iranian politics.
6. Deploy confidence-building measures, such as releasing Iranian prisoners in Iraq.
7. Use a multi-track approach in engaging Tehran on various points of disagreements.

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\* Policy Conclusions from Group Panel Discussions at Passing the Baton 2009 were not necessarily achieved by group consensus. In some instances, individual panel members may have been in disagreement with the larger group. For specific information on each panel's contents, please see the comprehensive online archive at [www.usip.org/baton2009](http://www.usip.org/baton2009).



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8. Renew talks with Tehran on Iraq and include Iran in a regional consortium of states to build and coordinate broad support for stability and peace Iraq.
9. Explore options of inspections and firewalls for monitoring Iran's nuclear resources.
10. Preserve the integrity and credibility of the NPT while devising solutions for resolving Iran's nuclear issue.
11. Consider ethical as well as strategic motivations behind Iran's quest for nuclear capacity.
12. Deal with Iran as a nation and not as a regime or a basket of threats.