The JCPOA: How Iran’s Grand Strategy Stifled The US

Abstract

The 2015 Joint Comprehensive Plan Of Action (JCPOA) provided a poignant example of how Iran successfully pursued a unique grand strategy that was established following, and had evolved since, the 1979 Revolution. As a result, Tehran was able to stifle attempts by Washington, DC to influence domestic Iranian affairs. In this context, this article argues that Iran’s grand strategy juggled a commitment to the regime’s revolutionary mantra, formed in 1979, and a pragmatic approach to pursuing national interests. This is accomplished by analyzing the foundation and evolution of Iran’s grand strategy, and where the US fits in this dynamic. By focusing on the negotiations leading up to and the eventual signing of the JCPOA, this article sheds light on how Iran’s grand strategy was formulated, what constitutes the main drivers and barriers to the strategy, and indeed how this manifested itself in the US-Iran relationship context.

Contemporary Iranian ties with the United States of America (US) have followed a fitful trajectory, particularly since the Islamic Republic of Iran regime (IRI) was established after the 1979 Iranian Revolution. Indeed, from 1979 onwards, the IRI persistently and pragmatically pursued the constitution-laden remit of abiding by a revolutionary mantra as well as pragmatically serving national interests. This revolutionary mantra, detailed below, has notably been a thorn in US-Iranian relations, as Washington, DC has often targeted and
undermined Tehran’s revolution-inspired actions since that pivotal moment in contemporary Middle Eastern history.

The application of this aspect of Iran’s grand strategy was particularly prevalent in the run-up to and the signing of the 2015 Joint Comprehensive Plan of Action (JCPOA) between Iran and the P5+1 – that is the five members of the United Nations (UN) Security Council (the US, the United Kingdom, France, Russia and China) plus Germany, acting on behalf of the international community. The JCPOA’s aim was to alleviate sanctions imposed on the IRI as a result of its nuclear program, in exchange for the rolling back of that same program. Indeed, it is the run-up to and signing of the JCPOA that this article focuses on to prove its argument that the IRI successfully adopted its grand strategy in this instance, that is, abiding by the revolutionary mantra established in 1979 and pragmatically pursuing national interests, and where the US fits in the process. From here, this article also points to how Iran’s grand strategy explains the IRI’s actions when faced with contemporary issues, and explains what this means for the internal and external resistance to the JCPOA, global oil production levels and the fight against Dawlat al Islamiyyah fi al Iraq we al Sham (DAISH).¹ As a result, this article identifies some of the barriers and proponents to improved US-Iranian ties.

The IRI’s rhetoric, policies and actions in the run-up to and signing of the JCOA can be traced back to the 1979 revolution. Significantly, the revolution marked both the birth of the Islamic Republic of Iran and the country’s active grand strategy. The 1979 development has continued to impact Tehran’s interactions with foreign states, and therefore warrants an examination in the context of the country’s grand strategy formulation. Pointedly, since 1979, the IRI’s actions have been mandated by the country’s constitution, which stipulates that it is the government’s duty to act under the ‘revolutionary banner’ of achieving the following:
The complete elimination of imperialism and the prevention of foreign influence […] and ensure that] framing the foreign policy of the country [is done] on the basis of Islamic criteria, fraternal commitment to all Muslims, and unsparing support for the freedom fighters of the world.²

The references to preventing foreign influence in Iran and supporting the fight for freedom in the constitution captures the IRI’s grand strategy, as argued in this article. This argument has been put forward to varying degrees by Iranologists in the literature concerned, as identified throughout this work. As a result, the originality of this article lies in an analysis of how empirical developments fared against the IRI’s grand strategy and where the US fits in this context.

This article’s definition of the IRI’s grand strategy borrows from what Lawrence Freedman described as the level in which ‘a conflict was anticipated, alliances forged, economies geared, people braced, resources allocated and military roles defined’.³ From here, this article posits itself among William Martel, Paul Kennedy and Emre İşeri’s thoughts concerning grand strategy, as well as Shahram Chubin, Arshin Adib-Moghadam and Fred Halliday’s notions among others, which are specific to Iran. As a result, this study uses a definition for Iran’s grand strategy that personifies the regime, that is, its dedication to the revolutionary ethos and the pragmatic means in which the IRI carries out actions as a representation of the said personification. This is teased out in the literature and Iran’s grand strategy sections. Resultantly, this article argues that Iran’s grand strategy balanced its dedication to the revolutionary mantra established in 1979 with a pragmatic quest to pursue national interests, specifically when concerned with US ties in the run-up to the JCPOA.

This JCPOA case study as it were, is of particular relevance to the study of grand strategy and contemporary international relations, due to the significance that the agreement
represents in international affairs. Indeed, the fact that the deal signifies the first of its kind between the P5+1 and Iran since the 1979 Revolution conveys this point. Additionally, whilst the JCPOA not only provides evidence of how the IRI’s grand strategy was successfully implemented in this case, it also provided a forum in which global and regional tensions and issues manifested themselves vis-à-vis concerns surrounding the re-introduction of Iran’s oil production to the energy market and the fight against DAISH.

In order to articulate the argument, this work examines official Iranian documents concerned with the grand strategy of the Middle Eastern state, as well as various press releases, policy documents, rhetoric and empirical developments involving Tehran and Washington, DC. Additionally, this article pulls a consistent thread through the main body of analysis linking the findings to scholarly work on the matter. Concurrently, this article also identifies how it differs from existing literature on the topic, highlighting its contribution and originality in this regard.

It is important to note that this article does not assess every factor that led to the formation of the IRI’s grand strategy or indeed the implementation and practice of the strategy. Further, it does not analyze every development that took place in the timeframe in question which impacted the US in the IRI’s grand strategic context. Rather, this article focuses on the developments that reflected Iran’s application and dedication to its grand strategy, as well as highlighting instances where this was not the case (in order to provide a balanced perspective). As a result, this article’s assessment of the IRI’s grand strategy formulation and application, and the impact of this on the US in the run-up to the JCPOA provides a unique appraisal of not only the type of strategy in action, but also US-Iranian ties in general.

In order to achieve these goals, this article initially grounds its argument in the literature concerned with grand strategy and identifies the contribution it makes to this field of work.
Then, it details the formulation of the IRI’s grand strategy, with a focus on the context in which it was devised. From here, the article assesses how the strategy evolved in the run-up to the JCPOA negotiations, specifically from the point when Iran’s nuclear program was toted as an international security concern following the exposure of how far the program had been developed in 2002. Then, this article assesses how the negotiations leading up to the JCPOA itself, between 2013 and 2015, were represented in the IRI’s grand strategy context. The conclusions then reflect on the significance of the JCPOA within this framework and identify some of the policy ramifications of this article, as well as linking the findings to the literature concerned. As a result, this article finds that the IRI was successful in implementing its grand strategy in the JCPOA case study and the impact this had on the US in the process. From here, the conclusion also suggests how the barriers and proponents to US-Iranian ties, identified in the main body of analysis may be ameliorated in the future, namely by taking into account the stumbling blocks to US-Iranian ties in this case study.

**Targeting the literature**

This article is primarily concerned with the literature associated with grand strategy, in broad terms. As noted earlier, this work borrows from Freedman’s sentiments with regards to how a country uses the different elements at its disposal in order to exercise this type of strategy. From here, this article then assesses how the application of Iran’s grand strategy reflected this definition. This results in the argument that the IRI charted a grand strategy that reflected its dedication to the revolutionary sentiments established in 1979, whilst balancing the need to achieve national interests, and how this impacted the US in the process. Before doing so however, this section embeds this article in the relevant literature.

Work on the definition of grand strategy has received much attention in contemporary, as well as more historical scholarship. The focus on this aspect of strategy-making has flowed
across a multitude of sectors and industries, including military, business and executive public administration domains on a national, international and supra-national level. The term strategy, as noted by Martel, is rooted in the Greek term *stratēgia*, which focuses on the military dimension of achieving state goals. Edward Luttwak then focused the definition of grand strategy to capture where military actions sit in the broader context of national, international and economic activity.

Martel described the term as a symbol for a state’s ‘operations and very existence … [and is therefore] understood in what it should accomplish’. Kennedy on the other hand specifies that this particular type of strategy is concerned with integrating political, military and economic spheres and resources to balance a state’s priorities in an ever complicated and complicating international system. İşeri then builds on Kennedy’s work and identifies it as the ‘combination of wartime and peacetime strategies’. These points about accomplishments (Martel), resources (Kennedy) and context within which a grand strategy exists (İşeri) are reflected in Iran’s grand strategy. Indeed, it is from the collation of these definitions that this article identifies the IRI’s grand strategy as being represented by the balancing of its dedication to its revolutionary mantra and pragmatically pursuing national interests.

With specific reference to Tehran, Chubin noted 'while Iran seeks space for the propagation of its values abroad, it is not always as fastidious in allowing others to pursue theirs untrammeled'. That being said, Chubin caveated that the IRI faced no existential threat, therefore its polices are discretionary in nature and are determined by 'how much solidarity with Muslim peoples and the "oppressed", how much to invest in poorer Third World states, and how to give expression to the need for spiritual values in a changing, shrinking, multi-cultural world'. That being said, there is an argument to be constructed that DAISH represents an ‘existential threat’ to Iran.
When concerned with Iran’s foreign policy, an aspect of a state’s grand strategy, Adib-Moghadam identified four parts to Iran’s foreign policy culture: previous western presence and influence leading to a rejection of the west; the legacy of the 1979 Revolution within the country leading to the evolution of the revolutionary idea; consequently foreign policy decisions have been embedded and made in this environment; and this has ultimately resulted in foreign policies that challenge the status quo in international affairs in an exceptionalist manner. Each of these studies support the notion being put forward by this article that the IRI’s grand strategy is unique in its goals of pursuing national interests under an idealistic (revolutionary) mantra.

In a departure from these pieces of scholarly work, this article not only provides a nuanced definition of Iran’s grand strategy, that is its dedication to the revolutionary mantra and its pragmatic pursuit of national interests, but also demonstrates the application of this grand strategy using the JCPOA case study. Further, the inclusion of how this process impacted the US intentions also sheds light on the stumbling and building blocks of the Washington, DC-Tehran relationship, leading to suggestions as to how these can be overcome and capitalized on in the future.

This article does not make an all-encompassing argument with regards to the development of the IRI’s grand strategy, as some of the scholarly work identified above have done. Indeed, as noted above, this article does not examine every development and element that took place in the formulation of the country’s grand strategy, the period running up to and including the JCPOA negotiation rounds and the impact this had on US intentions in the process. Further, this article does not examine the ‘policy-making process’ as it were of the IRI’s grand strategy, in the sense that it does not examine the conflict and cooperation between the different elements of the Iranian political system when policies which reflect the country’s
As with any study in international relations, the context in which the aspect in focus has developed and evolved over time plays a key part in understanding and explaining why relevant decisions and actions were taken. The study of Iran’s grand strategy is no different in
this respect. This section provides a précis to and detailing of the formation and evolution of the IRI’s grand strategy, which was exercised during the JCPOA case study of concern. In doing so, this section provides the foundation to assess this aspect of Iranian strategy-making in a comprehensive manner.

With respect to the IRI, the 1979 Revolution played and indeed still plays a significant role in how the country posits itself and interacts with the international political system. Poignantly, this pivotal moment in contemporary Iranian history marked the instant when the country moved away from being an ally the ‘West’ could count on, and towards its current unique status. Indeed, before the revolution, the monarchical system under Mohammed Reza Shah was very much aligned with the West. The former leader even went as far as noting that he was the US Policeman in the Persian Gulf.\textsuperscript{12} As a result, the ouster of the country’s final monarch soured US-Iranian ties.

Whilst it is not the focus of this article, the grand strategy of the Shah-led Iran followed a remit that was more focused on the interests of the leader and his close followers. The problem that ensued of course, was a growing sentiment of discontent in the eyes of the public up until 1979 when the political structure of the country changed.

It is worth emphasizing at this point that the revolution was not inherently Islamic by nature and in inspiration. Indeed, the transition away from the monarchy involved individuals and groups from across the political spectrum, that is Leftists, Marxists, secularists, Islamists and nationalists, essentially actors who were fed up with the Shah’s single Resurrection or Rastakhiz party’s derisory rule which became more evident as the Shah’s reign came to an end.\textsuperscript{13} Indeed, it was after the melee of the revolution that the organizational structure of the IRI’s foundation was able to mobilize and eventually began to emulate the Shah’s rule, in the sense that the new regime also targeted and marginalized non-IRI supporting groups. The
success of the IRI in doing so allowed it to garnish control over the country and ultimately implement the current political system.

Since then, the IRI has followed its revolutionary (i.e. rejecting foreign influence and supporting freedom fighters) mantra as noted in its constitution. Additionally, the IRI has done so by, as determined in the preamble of the constitution, following 'Islamic principles and norms, which represent an honest aspiration of the Islamic Umma (Community, i.e. the elites in the IRI system)'.

This point is also worth stressing. These principles and norms are determined by the Ayatollah and his advisors, and are therefore a manifestation rather than a representation of the religion.

As a result of these developments, the IRI exercised a grand strategy that reflected this mantra. Indeed, the first major test came during the 1980-88 war with Iraq, where Tehran engaged in the conflict (after Baghdad’s initial act of invading Iranian territory) in order to defend itself, and ultimately the security of the IRI. Indeed, as Halliday noted, the to and fro of the conflict led Tehran to modify its grand strategy to ultimately 'create a situation in which Iran can impose its will' after defeating Iraq. This once more demonstrated the idealistic sentiment in the IRI’s grand strategy.

Following the conflict, the IRI then set its sights on recovery, with the President at the time, Akbar Hashemi Rafsanjani, going so far as labelling his 1989-93 tenure 'the cabinet of reconstruction'. Indeed, Rafsanjani noted that his 'main concern is the economic situation… [and] that the achievement of a flourishing economy is one of the topics that heads the list of our program'. The presiding Ayatollah, Ruhallah Khomeini, also moderated his stance and called for financial and technological assistance from abroad in the post-war era.
It is also worth recalling that this came in an era where the constitution nevertheless explicitly resisted ‘Imperial powers’ from having an influence over Iranian affairs. This demonstrated Iran’s continued adherence to the grand strategy sentiment of being dedicated to the revolutionary mantra of the regime, as argued in this article.

Rafsanjani’s successor, President Seyyed Mohammed Khatami (1997-2005) then focused on political reforms. Khatami’s election conveyed a different manner in which the IRI exercised its grand strategy. Indeed, the Khatami government’s focus was on amendments such as increased economic opportunities to battle inequality, political and individual freedoms, social justice and an added emphasis on the rule of law.\(^1\)

Iran was also driven by aspects of an economic nature, demonstrating the country’s practice of a grand strategy that pursued national interests. Khatami took steps to diversify the country’s economy and limit oil export dependencies. This was reflected by the fact that hydrocarbons (oil and gas) made up an average of 85 per cent of Iran’s total exports between 1989 and 1996, compared to a figure closer to 95 per cent prior to that.\(^2\) Additionally, Khatami established the Iranian Oil Stabilization Fund in 2000 to ‘stabilize the government’s annual budgets and provide financial means to commercial banks for on-lending to private and cooperative entities carrying out projects in the priority sectors identified by five-year plans’.\(^3\)

The Oil Stabilization Fund did show signs of progress in the endeavour to limit hydrocarbon dependencies, with the resources in this sector making up 82 per cent of total exports between 1997 and 2005.\(^4\) However, the IRI’s monopolistic hold on the fund, combined with the lack of transparency in accessing the Oil Stabilization Fund’s finances meant that the goal of the fund was left unachieved in this period.\(^5\) Additionally, the fact that hydrocarbons were
still making up 82 per cent of total exports conveyed how the demand for these resources drove the economy and indeed ties with foreign partners.

Following the 9/11 attacks on the US in 2001, there was an increased impetus, specifically from the White House to pursue pre-emptive ventures against countries that were deemed a threat to international security. As US President George W. Bush promised to act against nations supporting terrorism, a list was drawn up on which Iran appeared alongside Afghanistan, Iraq and North Korea. This pushed Khatami to increase and improve ties with the European Union (EU) in order to counteract the vilification that Iran suffered as a result. Indeed, during this period the US implemented a number of sanctions against the ‘unfriendly’ IRI, conveying its harsher position in the post-Shah era. These initially came during US President Jimmy Carter’s time in office under Executive Order (EO) 12170 (in 1979) blocking Iran’s government property and interests, under President Ronald Reagan’s EO 12613 (in 1987) banning US imports from Iran and under President Bill Clinton’s 1996 Iran and Libya Sanctions Act (ILSA) concentrating on support for international terrorism, development of armed nuclear capabilities and barriers to the Middle East Peace Process.

The ILSA restricted Iranian (and Libyan) petroleum activities and resources that were suspected as providing the funding for Weapons of Mass Destruction (WMD) and international terrorism. US Congress Expert Katzman noted how the ILSA identified this as support for actors in the broader region, specifically Hamas, Hezbollah and the Palestinian Islamic Jihad. In addition, the ILSA included enhanced sanctions on non-complying countries/individuals of the act.

This was a particular sticking point for other actors in the international community, particularly the EU, which identified the extraterritorial nature of the ILSA as 'damag[ing] to the interests of EU companies'. The EU initially adopted a ‘blocking legislation’ designed
to penalize any European firm adhering to the ILSA, before threatening to take the dispute to the World Trade Organization (WTO) in mid-1996. This problem was however averted when the 1997 EU-US agreement, which waived the sanctions over EU member states when it came to investments and trade with Iran (and Libya), was implemented. These developments demonstrated how the environment in which the IRI was implementing its grand strategy complemented the goals of the regime. Indeed, the fact that Tehran was able to look elsewhere, i.e. Europe, for trade and business in order to pragmatically pursue national goals of economic recovery and development, in spite of the US-led pressure to isolate Iran, demonstrated this fact. Additionally, the fact that the EU was such a staunch advocate of diplomacy and engagement, in contrast to the US sanctions and dis-engagement approach, meant that the IRI was able to compartmentalize economic ties, and keep them separate from the political sphere, therefore allowing it to continue to exercise the revolutionary mantra element of its grand strategy.

Each of these developments convey the context in which the run-up to the JCPOA took place. Further, the events that led up to the JCPOA in earnest, are often linked to 2002. It was at this point that the IRI’s nuclear program was exposed at a far greater level of detail than ever before. The development also seemed to vindicate Washington’s suspicions over the intent of the Iranian regime, whilst concurrently demonstrating how Tehran continued to exercise its grand strategy following its revolutionary mantra whilst pursuing national interests.

**The run-up to the JCPOA: 2002-2012**

In August 2002, Alireza Jafarzadeh, a member of the exiled political group, the People’s Mujahideen of Iran or *Mujahideen el-Khalq* uncovered details of Iran’s nuclear program. Significantly, the news revealed that the program had reached a significant level of development without the knowledge of the international community – or perhaps more
poignantly, the international community’s (or UN) nuclear watchdog, the International Atomic Energy Agency (IAEA). Jafarzadeh’s revelation noted the significant development of Iran’s uranium enrichment factory in Natanz and the heavy water facility in Arak; both sites were carrying out processes which were technically legal but were also required to enable nuclear weapon proliferation.\(^{34}\) This incident once again spoke to the IRI’s grand strategy of pursuing a national interest of being able to flex its sovereignty right. Additionally, the fact that Iran had been able to do so in such a clandestine manner, further provided an example of the IRI exercising its grand strategic goal of resisting foreign influence in Iranian affairs.

That being said, Mujahideen el-Khalq’s exposé triggered an upsurge in international pressure and sanctions on Tehran, as attempts to scale back Iran’s nuclear program began to take place. Initially, this came in the form of the EU3 or the *troika*, that is France, Germany and the United Kingdom (UK), who collectively led the EU’s effort to curb Iran’s nuclear program following Jafarzadeh’s exposure. Indeed, these EU3-Iranian talks were sparked by the undisclosed manner in which Iran had been developing its nuclear program, and the lack of transparency surrounding it.\(^{35}\) For the US however, the diplomacy option was not enough.

The new revelations led to an increase in US pressure to sanction the Middle Eastern state through the UN Security Council. Once again however, the US was met with resistance from the EU. This came in the form of the EU3 refuting Washington’s call to the UN Security Council to ratchet up sanctions on the IRI. Simultaneously, the EU3 pushed for the use of dialogue and diplomacy to achieve the targeted goal of scaling back the nuclear program.\(^{36}\)

The perspective in Iran, however, was that the IRI appeared to fluster the EU3 and IAEA’s attempts to soften Iran’s critics outside the country, notably the US. This once again demonstrated the IRI’s exercising of a grand strategy based on rejecting foreign influence in
Iranian affairs, whilst balancing a national interest to exercise its sovereignty over domestic undertakings.

What followed was a decade of cyclical attempts to resolve the nuclear program, with successes (halting nuclear development) and setbacks (breaking agreed nuclear seals), which culminated in the interim 2013 Joint Plan of Action and eventual 2015 JCPOA negotiations and signatures. The trajectory of these developments once again demonstrated the IRI’s dedication to its grand strategy as identified in this article and the resistive nature it represented with respect to US intentions.

Following the 2003 EU3 initiative to open up negotiations with Iran over its nuclear program,\(^{37}\) this EU3-Iran dialogue represented a further exercising of Iran’s grand strategy. Some of the key developments are highlighted in this section to demonstrate this point.

In September 2004, the IRI took the decision to resume uranium enrichment having previously agreed to halt it. This prompted the US to bolster its pressure on the UN Security Council to sanction Tehran. The US was however met with resistance from the EU3, which pushed forward with its dialogue and diplomacy tack. This appeared to succeed, as the IRI attained EU support to continue developing a light water reactor in exchange for halting uranium enrichment. Significantly, this also led to a resumption in talks surrounding the EU-Iran Trade and Cooperation Agreement (TCA)\(^{38}\) which had been put on hold following the IRI’s enrichment activities.\(^{39}\) Then, eleven months later, the TCA was once more suspended following the 2005 IAEA’s report determining that Iran was carrying out uranium enrichment.\(^{40}\) In spite of these attempts, the EU3 failed to convince the IRI to satisfactorily scale back the nuclear program. This was certainly true from the EU perspective, and even more so from the US viewpoint. What this demonstrated once more was the IRI’s grand strategy of refuting foreign influence over Iranian affairs.
Following on from these developments, the conservative President Mahmoud Ahmadinejad was elected in 2005, further exacerbating matters surrounding the nuclear program. Additionally, Ahmadinejad’s tenure was marked with an increasingly (rhetorical and otherwise) yearning to continue rejecting foreign influence and pursuing the national interest sentiments of the country’s grand strategy, an approach that notably rejected US influence in Iranian affairs.

Ahmadinejad’s two-term tenure, between 2005 and 2013, adopted a number of policies that support this article’s argument with regards to the IRI’s grand strategy being exercised in this era. Indeed, the Ahmadinejad administration aimed to reduce Iran’s dependence on, and hence influence by other states by adopting conservative economic policies. These policies were in contrast to Ahmadinejad’s predecessors’ liberal economic policies driven by economic development (Rafsanjani) and reformist (Khatami) imperatives. This ultimately led to a ramping up of international sanctions, spearheaded by the US, and even including the biggest resistance group to the sanction-orientated approach, this being the EU in 2012.

This was prompted by Ahmadinejad’s conservative rhetoric, which initially did not dampen the EU3’s attempts to resolve the nuclear program concerns diplomatically. This did however change in December 2006. Indeed, at that point, the IRI was found to have been continuing to enrich uranium, thereby going against the IAEA’s specified standards, which led to the suspension of IRI-IAEA negotiations. This demonstrated once more Tehran’s dedication to and exercising of its grand strategy of rejecting foreign influence, specific to the IAEA in this instance.

After three years of failing to ameliorate the nuclear program concerns, the EU3 bolstered its ranks and evolved in 2006 to become the EU3+3 or the P5+1 (EU3 and the US, Russia and China, referred to as the P5+1 hereafter). By the end of that same year, Iran had rejected a
P5+1 package over the nuclear program, prompting UN resolution 1737 stepping up IRI-targeted sanctions in 2006. What followed was an increased number of international sanctions being implemented against Iran in the next few years, including UN resolution 1747 in 2007, 1803 in 2008 and 1929 in 2010.

These sanctions came in the wake of evidence surfacing in September 2009 revealing that a second uranium enrichment site had been established near Qom which was poignantly 'constructed under the radar of international inspectors – [and] deepened suspicion surrounding Iran's nuclear ambitions'. The international community’s reaction to the Qom exposure conveyed this sense of concern over the nuclear program and indeed demonstrated the IRI’s grand strategy practice of rejecting foreign influence in the Middle Eastern state.

In reaction to the Qom evidence, President Barack Obama noted in 2009 how the 'site deepens a growing concern that Iran is refusing to live up to those international responsibilities, including specifically revealing all nuclear-related activities'. This sentiment was echoed by the French President Nicolas Sarkozy who repeated his 'conviction that Iran was taking the international community on a dangerous path'. Additionally, the British Prime Minister, Gordon Brown, echoed these thoughts following the Qom revelation, noting: 'I say on behalf of the United Kingdom today, we will not let this matter rest. And we are prepared to implement further and more stringent sanctions.' The reaction of the US, France and the UK respectively demonstrated the concerns shared by these three P5+1 members. What is more, these concerns were exacerbated just a few months later after an IAEA report found that Iran was continuing with its fuel enrichment program and had plans to develop nuclear weapon capabilities.

Furthermore, in a departure from the diplomacy-inspired approach, the EU joined the US and UN Security Council to implement sanctions against the IRI in October 2012. These included
'several export bans, including on graphite, metals, key naval equipment and technology for ship-building, additional key equipment or technology for the Iranian oil, natural gas and petrochemical sector and software for industrial production'. Tehran’s position bolstered these concerns surrounding the country’s nuclear program. Indeed, Ahmadinejad’s continued conservative policies and rhetoric led to a growing trend of political and economic isolation. A poignant example of this came in 2008 with regards to the Oil Stabilization Fund, which was set up by Khatami, discussed earlier.

At that point, the Ahmadinejad administration extracted funds from the Oil Stabilization Fund in order to provide subsidies for the private sector and add employment opportunities. Then, in 2010, Tehran was faced with the onerous task of cutting subsidies to alleviate pressures on public debt. This translated into energy and food staple subsidies being cut and resulted in food prices increasing from an estimated 200 per cent to 2,200 per cent. The concern over the impact of such a dramatic rise in inflation leading to discontent and unrest in Iran was however avoided by Ahmadinejad’s successful deployment of a two-step cash transfer scheme to manage these subsidy cuts. This scheme consisted of: 1) depositing cash into the public’s bank accounts with the caveat of them not allowing them to withdraw the funds, 2) releasing the funds at the same time as the price hikes. As a result, there were no immediate moves to withdraw the funds from the public’s bank accounts and led to a layer of trust emerging between the IRI and Iranians. This once more demonstrated the IRI’s grand strategy element concerned with pursuing national interests, i.e. alleviating public debt (through subsidy cuts). Simultaneously however, in spite of these policies, the Middle Eastern state’s Gross Domestic Product (GDP) decreased from a growth rate of 6.6 per cent in 2010 to 3.7 per cent in 2011 and shrunk by 6.6 per cent in 2012. This demonstrated how the sanctions and political isolation caused by the nuclear program and Ahmadinejad’s rhetoric and policies hamstrung Iran’s economy.
Additionally, the US’s ILSA was still in force up until 2006, where it was superseded by the Iran Sanctions Act (ISA), targeting Iran’s nuclear program through sanctions. The ISA was then extended in 2010 in the form of the Comprehensive Iran Sanctions, Accountability and Divestment Act (CISADA). This form of US pressure on the IRI remained in place until the 2013 Joint Plan of Action and then the JCPOA was signed in 2015. The point here is that the US resisted Iran’s grand strategic vision to pursue its revolutionary and national interest goal orientated agenda. The fact that this timeframe culminated in the signing of the JCPOA however points to a success in the IRI’s grand strategy in this context.

**JCPOA negotiations and the 2015 agreement**

In the years leading up to the 2015 JCPOA agreement, a few things were clear. The multilateral nature of international sanctions on Iran constrained the country both economically and politically; this was followed by a changing dynamic within the Middle Eastern State whereby this political and economic strain led to pressure on the administration and ultimately led to the succession of a moderate government under President Hassan Rouhani in August 2013. Concurrently, the IRI continued to exercise its grand strategy, as evidenced by the multiple rounds of press releases and official documents between the P5+1 and Iran reflecting Tehran’s continued resistance to external actors, the US in particular, influencing Iranian affairs, whilst pursuing national interests, i.e. economic recovery and avoiding political unrest. These developments led to the Joint Plan of Action and then JCPOA frameworks, which also resulted in the IRI’s unlikely alignment and implicit (as well as explicit in some cases) cooperation with other actors in the international system, i.e. in the context of the fight against DAISH. This provided a further example of the IRI pursuing its grand strategy in this era. This section focuses on the three years leading up to the 2015 JCPOA, and assesses how Tehran continued to pursue its grand strategy, which was
formulated some thirty-six years earlier. This includes not only the impact this had on the US, but also the political tensions within and without Iran.

Between 2012 and 2015, Iran’s ties with the international community experienced extremes on either end of the scale. The sharp end came in 2012 when the number of sanctions imposed on the IRI were at their peak. Notably, this included the stringent EU sanctions placed on Iran in October of that year, as a result of the failure of the P5+1 negotiations over the nuclear program. This political and economic isolation 'peak' was then exacerbated by the IRI, which seized the opportunity to further exercise its grand strategic sentiments of rejecting foreign influence and targeting national interest goals. Indeed, the presiding Ahmadinejad administration’s conservative policy significantly weakened the Iranian economy, despite various attempts by the president to help improve the economic health of the country, such as the 2008 policy to use the Oil Stabilization Fund and 2010 subsidy cuts geared at improving the economy, mentioned in the previous section. In spite of these efforts, Iran’s GDP continued to shrink from the 6.6 per cent contraction in 2012 to a lower, yet continued contraction of 1.9 per cent in 2013. Additionally, this period witnessed high inflation rates, measured using the country’s Consumer Price Index (CPI), of 27.3 per cent in 2012 and 39.4 per cent in 2013. These economic constraints occurred alongside increased tensions between the different factions within Iran’s political structure and were alleviated somewhat when Rouhani came into power.

Indeed, the economic and political isolation experienced during Ahmadinejad’s final two years in office led to a shift from his conservative mandate to Rouhani’s moderate ticket. The fact that the 2013 Joint Plan of Action was signed in the same year that Rouhani was elected, albeit before he came into power, reflected how the mood had changed in Iran. That being said, the Rouhani Administration maintained a strong dedication to the IRI’s grand strategy
as identified in this article. Indeed, in one of Rouhani’s first speeches to the Majlis, he noted that ‘internationally, the government would adopt the policy of peaceful coexistence as well as resistance’. The president’s point here stressing resistance and co-existence spoke to both the rejectionist and the pursuit of national interests sentiments of the IRI’s grand strategy, and paved the way for the Joint Plan of Action.

Pointedly, the Joint Plan of Action, which promised to alleviate sanctions in return for scaling back the nuclear program, presented an opportunity for Iran to re-engage with the international community in both the economic and political realms. Indeed, Rouhani noted, in a letter to the Ayatollah, Ali Khamenei shortly after the signing of the Joint Plan of Action that:

The success made in the nuclear talks highlighted the fact that it is possible to offer views of the Iranian nation to the world public opinion in a logical and reasonable manner and with respect to the country’s red lines, in a way which will make the big powers to respect the rights of the nation [sic].

Further, in January 2014, the Foreign Minister and chief nuclear negotiator Mohammed Zarif noted: 'our European friends should know that a good atmosphere and stable conditions have been created for investment in Iran ... [and that strides were being taken] to remove all excuses for sanctions, so that the situation for foreign investment is prepared'.

The messages from Rouhani and Zarif demonstrated the dedication to both elements of the IRI’s grand strategy, as highlighted in this article. Economically this had a positive impact. Indeed, inflation fell in 2014 and 2015 to 17.2 per cent and 13.7 per cent, respectively, and GDP growth rebounded to increase at a rate of 4.3 per cent in 2014 and was estimated to have grown by 0.32 per cent in 2015.
Despite these positive developments in the economic sphere, Rouhani’s moderately mandated administration faced internal pressure to alleviate the impact the sanctions had on the country, with regards to oil exports, ease of doing business/corruption and inflation, as well as internal political pressures from the competing conservative strand in Iran’s political structure. Specifically, the more conservative groups in Iran pointed to the Joint Plan of Action as something eroded the grand strategic sentiment of rejecting foreign influence in the country. This was in contrast to the facets of Iran’s political system that were aligned to Rouhani. These were the reformists and moderates who saw the positives of the Joint Plan of Action and supported continued dialogue with the P5+1 in order to mitigate and minimize the continued negative impact of the sanctions on Iran.64

Indeed, the resistance to the influence of external actors over Iranian affairs continued to be evident in this period. The Ayatollah himself noted in August 2015, that 'we won’t allow American political, economic or cultural influence in Iran'.65 Elsewhere, in Europe the rise of nationalist sentiment also showed signs of derailing the deal. For example, the European Parliament’s questioning of Rouhani’s election and recommendations for European Parliament delegations to meet with dissidents led to the scheduled Majlis visit to Strasbourg being cancelled in April 2014.66

The resistance to the JCPOA was also felt across the region, particularly in the Kingdom of Saudi Arabia (KSA). Indeed, the historical rivalry between Tehran and Riyadh was emphasized by the 1979 revolution when the western friendly KSA Crown Prince Fahd, who had forged friendly ties with the Shah – became apprehensive of a Shia Iran rivalling Sunni Saudi Arabia after seeing the Shah being ousted.67 Further during the JCPOA negotiations, the KSA pressured fellow members of the Organization of Petroleum Exporting Countries (OPEC) to continue to maintain their levels of production in order to secure their hold on the
hydrocarbon market and prevent Iran from gaining economically from the alleviation of the sanctions. However, Iran’s Oil Minister Bijan Namdar Zanganeh refuted such pressure and noted ‘immediately after lifting sanctions, it’s our right to return to the level of production we historically had’. This continued yearning to resume production levels demonstrated the IRI’s intent to alleviate the poor economic conditions in the country and maintain stability – a key to the security of the IRI regime, and a further example of the exercising of the grand strategy of Iran.

Additionally, the Islamic Republic of Iran-Kingdom of Saudi Arabia dichotomy was also impacted by the conflict in Yemen, with Iran supporting the Shia Houthi rebel tribes and Saudi Arabia supporting the Yemeni regime. From the Saudi perspective, Riyadh wanted to prevent an Iranian-friendly (or even proxy) regime on its southern border. For the Iranians, the constitution-mandated grand strategy of ‘protecting Muslim brothers’ was being practised in this conflict.

Conversely, in the context of the fight against DAISH, the negotiations and agreement dialogue frameworks led to some unlikely bedfellows. Most notably this came in the form of a dialogue with Saudi Arabia on the side-line of Joint Plan of Action and UN meetings. Further, the sustained level of support for Kurdish factions in Iran and the Shia Iraqi regime also demonstrated how the IRI exercised its grand strategy by dedicating capabilities, physical (such as manpower, military equipment) and otherwise (such as intelligence and policy support), conveying the pragmatic nature of the regime in ensuring its security.

**Conclusion**

The IRI’s actions demonstrated the country’s dedication to its grand strategy of adhering to the revolutionary mantra of the constitution, by rejecting the influence of external actors in Iranian affairs, and pursuing national interests, ranging from economic development to
preventing domestic political unrest, since its inception in 1979. Indeed, following the 1979 revolution, the IRI continued to ensure the rejectionist sentiment was being practised in the run-up to the negotiations surrounding the Joint Plan of Action and JCPOA, as well as when both agreements were signed. Concurrently, Tehran also demonstrated the lengths it went to in order to pursue national interests in the period leading up to and including the 2015 agreement.

Specifically, this came in the form of the economic development tenure of Rafsanjani between 1989 and 1997, his successor, Khatami, who pursued a reformist mandate in an attempt to improve ties with the international community and advance both political and economic prospects for reaching national goals between 1997 and 2005, and then under the former President Ahmadinejad’s conservative 2005 to 2013 administration which shifted the focus towards the rejectionist sentiment echoed in the country’s grand strategy. Finally, under President Rouhani’s moderate government, which came into power in 2013, Iran entered an era where credence was given to the rejectionist and pragmatically pursued national interests, in the form of alleviating the political and economic strains placed on the Middle Eastern state as a result of the nuclear program-inspired sanctions. Furthermore, the pragmatism demonstrated by the IRI in coordinating with the US, Saudi Arabia, Kurdish and other anti-DAISH forces further demonstrated the grand strategic notions of rejecting foreign influence, i.e. the DAISH terrorist organization, and pursuing national interests, that is the security of the IRI.

These developments ultimately culminated in the landmark JCPOA being successfully negotiated, signed and implemented in 2015 and thereafter. Significantly, the JCPOA signified a change in Iran’s ties with the international community, and the US in particular. Indeed, the historical rivalry between Washington and Tehran was moderated somewhat by
the agreement. Additionally, whilst there were multiple instances where the negotiations leading up to and the JCPOA itself were purposefully kept distinct from other regional concerns, such as global levels of oil production and the fight against DAISH, the agreement nevertheless provided the context in which Iran was implicitly and explicitly aligned and coordinated with the US, as well as other rivals. It is also true that the harshest JCPOA critics may entertain the notion that due to the nature of the DAISH threat (existential or otherwise), the natural alignment of interests between Iran and the international community may have been inevitable, even without the nuclear deal. However, the fact remains that the JCPOA was agreed upon, and what is more it would not be possible to objectively determine the potential validity of this argument put forwards by the JCPOA’s critics.

This evidence bolsters this article’s argument that the IRI exercised a grand strategy, personified as being rejectionist and pragmatic by nature. As a result, Iran’s grand strategy fits into how Freedman, Martel, and Kennedy define the term, as well as Adib-Moghadam, Chubin, and Halliday’s work on Iranian policies in particular.

In sum, what is clear is that the IRI was prepared to enter in a dialogue, support and even work with unlikely partners, provided the actions ensured the security of the revolutionary regime. Or to put this in more policy-orientated terms, provided that the goals of the vested parties are aligned. Therefore, with respect to the IRI-US relationship, the logic would follow that a Washington policy towards Tehran that is couched and exercised in this manner would be successful in the future. The precursor to and during the negotiations leading up to and signing of the JCPOA have demonstrated that this has indeed been the case.

Notes
Also termed Islamic State (IS), Islamic Caliphate, Islamic State of Iraq and Syria (ISIS), Islamic State of Iraq and the Levant (ISIL), among others. This article however uses the term DAISH, which is an acronym for the Arabic term which is a translation of ISIL.


Ibid., p.23.


IRI, Iranian Constitution, preamble.


33 A dissident political group that has roots in Shia and Leftist ideals (the lines on which it splintered pre-1979 revolution). It also has an ‘anti-Western influence’ ethos, similar to that of the IRI. The Mujahideen el-Khalq’s founding fathers’ initial goal was to ‘pave the way for a democratic government to replace the Shah's regime’. Mujahideen el-Khalq, ‘September 6, 1965: The Foundation of The People's Mojahedin Organization Of Iran’, *Events* (2015) <https://www.mojahedin.org/eventsen/8> (accessed 30 June 2017).


38 An agreement geared at improving EU-Iran’s economic and political ties.

39 EUCE, ‘Europe’s Iran Diplomacy’.


Nicolas Sarkozy in ibid.

Gordon Brown in ibid.


Bruno, ‘Iran’s Nuclear Program’.


55 There was one notable respite in 1999 when Bill Clinton lifted sanctions on food and medicine (and its equipment) to Iran, only for sanctions to be increased under Bush in June 2005, under EO 13382, in Hossein Alikhani, *Sanctioning Iran: Anatomy of a Failed Policy* (London: IB Tauris, 2000), p.208. Further, four years prior, Bush passed EO 13224 in 2001 which sanctioned individuals who supported terrorism.


57 The World Bank, ‘World Development Indicators’.


62 The World Bank, ‘World Development Indicators’.


66 Farhi, ‘The Politics of the EU Resolution on Iran’.


