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## Obama's Iran Nuclear Deadline: A Grand Bargain is Still Possible if Both Sides Honestly Define Their Interests

Tom O'Donnell, PhD<sup>1</sup> - December 28, 2009

Both President Obama and Secretary of State Clinton have promised “crippling” new sanctions will be imposed on Iran by year’s end if Iran does not seriously engage in negotiations on its nuclear activities. Tehran clearly is not engaging. Meanwhile, vigorous anti-regime demonstrations and leadership infighting greatly complicate both its internal and foreign affairs. Recently, Ahmadinejad’s embattled administration gave Washington—a not-so-subtle shot across the bow in anticipation of new U.S. sanctions. In late December, a detachment of the Iranian armed forces stunned observers by crossing the Iraqi border and occupying an Iraqi oil field for three days. One can well imagine the Obama administration’s eventual response to any major Iran-instigated conflict in Southern Iraq. The Afghan war could become a footnote in the history books.

Why would a country with the world’s third largest oil reserves and the second largest natural gas reserves risk sanctions and perhaps devastating U.S. air strikes for the sake of nuclear power or weapons? Why not just produce oil and gas—and get rich? There is something lacking in the rationale for this as a “nuclear” crisis.

Take nuclear power: a reasonable argument can be made for Iran developing nuclear power given its years-long inability to develop its natural gas reserves. But, the argument is circular, because the key impediment to Iran developing its huge gas reserves is precisely the fact that it is under U.S. and U.N. sanctions for its nuclear program. So if the real goal is to develop electricity, Iran’s development of nuclear power, at least in the present manner, is counterproductive.

Or, take nuclear weapon: a reason for Iran to develop nuclear weapons would be to counterbalance a powerful local arch-rival. Indeed, for many years, Ba’athist Iraq under Saddam Hussein was an existential threat to Tehran. The Iran-Iraq War of 1980-88 started by Hussein was the bloodiest war the world had seen since WWII, a war complete with trench warfare and gas attacks reminiscent in all its horrors of Europe’s WWI battlefields. Developing nuclear weapons to prevent the recurrence of such a national disaster would be worth almost any penalty the international community might impose. However, the Iraqi existential threat was due to Hussein’s ability to field a prodigious military force. That ability was ended, for the foreseeable future, when the Ba’athist regime was destroyed. It is no accident that Tehran was the first capital in the world to recognize the interim regime installed by Washington. What is hard to explain, then, is why it was only *after* the removal of Saddam, after the destruction of Iraq’s Ba’athist armed forces in 2003 that Iran ramped up its nuclear program. Why then?

For comparison sake, consider Pakistan and North Korea, two other states that recently developed nuclear weapons. Iran does not find itself in a situation like Pakistan, which, after having fought wars with its much larger neighbor, India, sweats over India’s prodigious nuclear program aimed against Pakistan. Nor is Iran in the situation of North Korea, in constant tension with its neighbor to the south with whom it fought a vicious war that never formally ended.

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<sup>1</sup> E-mail [twod@umich.edu](mailto:twod@umich.edu) || URL <http://TomOD.com> || Cendes-UCV Caracas, Venezuela & The New School-GPIA, New York City.

What about an existential threat from Israel? Israel does have hundreds of nuclear weapons and the means to deliver them onto Iran. However, Iran and Israel are not neighbors. If Iran does not go out of its way to directly threaten it, Israel has little motivation to engage Iran in a war. Not even the most radical Zionist settler group has ever proposed that parts of Iran should be incorporated into Greater Israel along with the West Bank and Gaza. Again, it has been precisely Iran's nuclear program that has brought it into this sharp confrontation with Israel, not to mention the U.S. and others.

So; if not for nuclear power and not for regional defense, why should Iran place such emphasis on developing an independent nuclear capability? It doesn't compute.

The answer is that Iran's ramped-up nuclear program began as a gambit to be sacrificed in exchange for things of greater intrinsic value to Tehran. Those things were an end to U.S. sanctions on its oil and gas sector and security guarantees against any attempts to oust the Islamic regime.

Iran had tried, in 2003, to make a so-called "Grand Bargain" with the Bush administration to end U.S. sanctions. Iran offered to drop its nuclear program, to end its backing of Islamic Jihad, to help transform Hezbollah into a social-political organization, to assist the U.S. in winning the war in Afghanistan, to trade members of Al Qaida it had detained for members of a group that had terrorized Tehran detained by the U.S. in Iraq, and other concessions. All this was offered in return for the U.S. lifting oil and gas sanctions on Iran and issuing security guarantees against any efforts to replace the Islamic leadership. But, the Bush Administration turned down this Grand Bargain. And Iran escalated its nuclear program into a serious attempt to develop an independent capacity to purify U235.

Why did Bush refuse to accept a Grand Bargain? Because the U.S. didn't trust that Tehran's influx of oil wealth after sanctions were lifted would not be converted into increased Iranian ability to project power in the Persian Gulf. To the Bush administration, even this conventional military potential could give Iran unacceptable influence the other major oil producers around the Persian Gulf—a region with over 60% of the world's light-oil reserves. As when Saddam took Kuwait, this would unacceptably jeopardize the global oil market, the centerpiece of the global today's oil-security system—what I refer to as "The One Global Barrel" system.

So, after being flatly turned down, the mullahs realized they needed a major new bargaining chip if they were to force the U.S. to end the sanctions that were keeping their economy in a state of chronic crisis (a situation certainly helped along by their own prodigious corruption and economic incompetence). A greatly invigorated and credible nuclear program would provide that new bargaining chip. Seven years on, as 2010 dawns, they have made that bargaining chip credible. So credible that they have begun to imagine that perhaps they can actually race to develop a nuclear weapon, presenting Washington with a *fait accompli* of Iranian regional power projection to force an end to sanctions.

This is a dangerous game of brinkmanship on both sides. However, rational interests are being pursued by both sides, interests that both sides have to frankly admit to make a Grand Bargain possible. Various compromises can be imagined that heretofore were obscured by irrelevant and extraneous posturing and rhetoric.

The Obama administration should consider beginning by offering the Iranian leadership security guarantees against any efforts to change the present Islamic regime, whether by the U.S. or by any other power in the Gulf Region, including Israel, in exchange for Iran bringing its nuclear program under full international supervision. Then, oil, gas, financial and other sanctions could be lifted according to a predetermined schedule. During that period a deal would have to be made on the size and scope of Iran's and U.S. forces in the Persian Gulf Region, subject to independent

verification. The possibility of joint Iranian and U.S. involvement along with all other Gulf States in a joint regional security command should be considered.

The Iranian people and state would be free to sort out their internal difficulties free from external threat, while Iran remains non-threatening to its neighbors, and allays concerns about possible disruption of the global oil market. Indeed, Iranian oil and gas production could once again begin to grow, potentially producing huge new sources of revenue to its people.

In any case, time is running short. Both sides need to admit their bottom-line security concerns that have brought them to this precipice. Washington especially has to speak clearly of its oil-market security concerns, recognize Iran's legitimate security and regional interests, going the extra mile to avoid a tragically escalating confrontation.