



HOW WOULD THE BIDEN PRESIDENCY IMPACT IRAN-US RELATIONS?

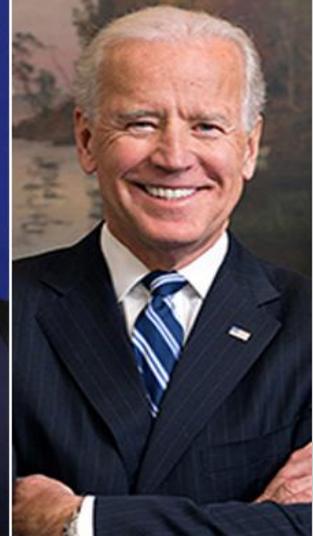
By
Fatima Raza

*Research Associate
Centre for Middle East & Africa (CMEA), ISSI*

Edited by
Najam Rafique

November 23, 2020

*(Views expressed in the brief are those of the author, and do
not represent those of ISSI)*



With the Democratic candidate, former Vice President Joe Biden emerging victorious following the election 2020 results in the US, there are expectations of several shifts in global politics in the upcoming months. Perhaps the only nation observing the outcome of US Presidential elections more closely than the American people themselves, was Iran. This is not surprising as the Islamic Republic has been under stringent economic sanctions during the tenure of President Trump subduing any economic growth and leaving the Iranian economy in tatters.

According to a World Bank Report on Iran's economic outlook, the country has been facing the third consecutive year of recession with its GDP contracting by 6.8% in 2019-20.¹ Apart from economic damages, Iran has also suffered from international isolation through restrictions on its oil imports and faced an aggressive US strategic policy approach in the region under the Trump administration. Will Biden's presidency turn out to be any different?

While the Iranian regime bid farewell and good riddance to their rather eccentric nemesis in the White House, it would be too soon to celebrate a complete restoration of ties as the damages done over the past 4 years would take some time to undo. It is also important to note here that President-elect Joe Biden's stance is not soft either, particularly with reference to Iran's nuclear deal obligations. "Tehran must return to strict compliance with the deal", said Mr Biden in an interview

¹ Iran's Economic Update — October 2020 -*World Bank Report*
<https://www.worldbank.org/en/country/iran/publication/economic-update-october-2020>

with the New York Times back in January 2020.² However, he is willing to bring US back to the Joint Comprehensive Plan of Action (JCPOA) as it is the only suitable way to ensure that Iran's activities remain in line with the US policy preferences for the region and beyond.

Easing 'Maximum Pressure' on Iran: Providing Relief & Managing Expectations

President Trump's 'maximum pressure' campaign against Iran was designed to punish the latter in order to bend it to his administration's will while the goal should have been to restore some order and stability to the region. The new administration under President-elect Joe Biden would leverage easing sanctions against Iran in return for its compliance with the nuclear deal. The new US administration would also need to actively work at breaking the unreliable pattern of abruptly abandoning international commitments and to bring back its European allies on one page with regards to a redefined policy toward Iran.

US return to multilateralism could translate into some breathing room for Iran in order to kick-start the dormant economic activity in the country which would also mean lifting restrictions on its oil exports among other things. Professor Arshin Adib-Moghaddam, chair of the Centre for Iranian Studies at the London Middle East Institute is of the view that the Biden administration needs to lift sanctions first in order to provide some relief to the Iranian people.³ Foreign Minister of Iran, Dr. Javad Zarif was also of the view that US return to the JCPOA will only take a few months and merely "three executive orders".⁴ Some Iranian political leaders have even demanded compensation from the new US administration for weathering the 'sanctions storm' unleashed upon them by Trump.⁵

However, both sides will need to manage their expectations in terms of desirable outcomes. For Iran, this certainly is a promising development and provides a chance to press the reset button on its ties with the United States if it manages to reverse violations of the nuclear deal. However, it may need to prepare on the home front in order to go back on these breaches where the past four years of Trump rule have sown frustration and bitterness toward United States in particular and the West in general.

² Michael Beswetherick, Jonathan Ellis, "Interviews with US Presidential Candidates", *New York Times*, December 2019, <https://www.nytimes.com/interactive/2020/us/politics/joe-biden-foreign-policy.html>

³ Javad Heirannia, "It's Biden that needs to take verifiable steps to lift Iran sanctions: Adib-Moghaddam", *Tehran Times*, November 11, 2020, <https://www.tehrantimes.com/news/454514/It-s-Biden-that-needs-to-take-verifiable-steps-to-lift-Iran-sanctions>

⁴ News Desk, "Iran urges US's Biden to lift sanctions, rejoin nuclear deal", *Al Jazeera*, November 18, 2020. <https://www.aljazeera.com/news/2020/11/18/iran-urges-joe-biden-to-lift-sanctions-rejoin-nuclear-deal>

⁵ Ibid.

Lifting of these sanctions will not happen overnight and might not take place without demands or pre-conditions which could delay the ease of restrictions owing to the complicated and multi-tiered political hierarchy within Iran.

Utilizing the Small Window of Opportunity

Iranian Presidential elections are also due in June 2021 and Trump's harsh policy over the past 4 years and abysmal economic performance by the government in Iran has poised the conservatives for a possible victory. With conservative candidates already sitting in majority in the Iranian parliament⁶, negotiations over lifting of sanctions would be an uphill task. In the meanwhile, the Trump administration is not likely to make the situation any easier as it recently sanctioned more than a dozen Iranian banks to cut Iran off from the global financial system.⁷ Thus, President-elect Joe Biden and the Iranian President Hassan Rouhani have a small window of opportunity to negotiate terms and conditions to restore the nuclear deal, lift sanctions and to perhaps improve the sorry state of US-Iran bilateral relations- a process, that could prove to be near impossible if a new and less agreeable government is formulated in Iran next year.

President-elect Joe Biden has also talked about curbing Iran's regional activities that are contrary to the US vision for the Middle Eastern region such as use of proxies and militias, alleged support for terrorism and its ballistic missile program.⁸ He further indicated that the US administration in the future would not abandon the use of sanctions to keep a check on Iran's regional behavior and ambitions. This highlights how the main thrust of the US approach toward Iran is unlikely to change. However, some modifications would be made which would be procedural and more predictable in nature. Mr. Biden has also stressed that use of multilateralism would be the major policy direction particularly in terms of formulating the US policy on Iran.⁹

This means that a necessary pre-requisite to negotiations with Iran over returning to JCPOA or subsequent removal of sanctions would be for the United States to take its regional allies on board. The EU signatories of JCPOA will be willing to welcome America's return to the nuclear deal in exchange for perhaps a few Iranian guarantees of compliance. However, the regional Arab allies of

⁶ Sina Azodi, "Optimism and obstacles for US-Iran relations under a Biden presidency", *Atlantic Council*, November 13, 2020, <https://www.atlanticcouncil.org/blogs/iransource/hossein-dehghan-and-other-military-vets-vie-for-irans-presidency/>

⁷ Sina Azodi, "Hossein Dehghan and other military vets vie for Iran's presidency", *Atlantic Council*, October 7, 2020, <https://www.atlanticcouncil.org/blogs/iransource/optimism-and-obstacles-for-us-iran-relations-under-a-biden-presidency/>

⁸ Joe Biden, "There's a smarter way to be tough on Iran", *CNN*, September 13, 2020, <https://edition.cnn.com/2020/09/13/opinions/smarter-way-to-be-tough-on-iran-joe-biden/index.html>

⁹ Ibid.

the US like Saudi Arabia, UAE as well as Israel would be less than willing to let Iran receive any kind of relief. Even back in 2015, these countries had vehemently opposed the deal expressing concerns about regional security. These like-minded Arab countries are also likely to present a more unified opposition to this especially after the normalisation pact recently signed between Israel and UAE. UAE's ambassador in Washington, Yousef al-Otaiba at a seminar organized by the Tel Aviv university, said that, "If we're going to negotiate the security of our part of the world, we should be there".¹⁰

Thus, the victory of former US Vice President Joe Biden would definitely mean shifts in US handling of its Iran policy, however, a complete roundabout in its direction is unlikely at this point. The trust deficit between the two countries is too deep to be filled in this short amount of time. However, the most important lesson learnt from the fallacy of Trump's 'maximum pressure' campaign against Iran is that punitive measures meant only to inflict misery cannot achieve desirable results. Instead, there needs to be a well-rounded diplomatic approach in place where two-way communication and compromises must be utilized to ensure broader and long term stability for the entire region.

¹⁰ Paul Adams, "After Trump, what will Biden do about Iran?", *BBC News*, November 18, 2020
<https://www.bbc.com/news/world-middle-east-54958361>