

Dangerous liaisons

Edward Carr says the path to a deal on Iran's nuclear programme will be long and perilous

This may be the Pacific century, but the cradle of civilisation stubbornly refuses to admit it. No matter how much President Barack Obama would like to focus America's foreign policy on Asia, making good on his promise to "rebalance" it, he has time and again been drawn back to the Middle East. In 2014 that pattern will be more pronounced than ever—possibly to dramatic effect.

This is not just because of bloody strife in Egypt, Libya and Syria (which, even for the world's greatest power, is intractable). Nor is it because Mr Obama's secretary of state, John Kerry, is dedicated to walking the Israelis and Palestinians towards peace (sadly, they are unlikely to follow him). It is because Iran's less-than-all-powerful new president, Hassan Rohani, a moderate cleric elected in June 2013, is ready to talk about his country's nuclear programme—which he insists is peaceful and pretty much everyone else believes is designed to produce a nuclear weapon. Succeed or fail, the handling of Iran looks likely to define history's judgment of Mr Obama's foreign policy. It will also shape the future of the entire Middle East.

Reasons to be wary

No one imagines that these talks will be easy. For three reasons, they begin under a shadow. The first is that, just as the prospect of a deal looks closer than it has for several years, so does



Rohani, a man the West can do business with? ■

Edward Carr, foreign editor, *The Economist*

► richest 50 members of China's People's Congress. More such revelations will surely come.

None of this means that China is going to stop growing. To some extent all that is happening is a reminder of America's deeper strengths, many of which never went away. Both Mr Bo and Mr Xi sent their children to Ivy League universities. But perceptions matter. And, as America re-emerges, the Beijing consensus may look less enchanting to citizens of the emerging world. That leaves Mr Xi and Mr Obama with rather different challenges. For Mr Xi the focus will be ever more domestic: he needs to clean up China's government and build a welfare state for its demanding people, albeit one that borrows more from lean Singapore than from flabby Washington, let alone clinically obese Europe. Foreign policy is a distraction.

A world of opportunity

Mr Obama, no doubt, would also like to clean up American government. There is a big deal to be done to right America's finances. But Mr Obama has shown little appetite for reform, and the Republicans don't trust him. Like many second-term presidents, he will increasingly focus on matters abroad. Now that America looks a little stronger, might he become a little bolder? One reason to hope he might is that "the Bush excuse" must surely now have expired: it is not enough for Mr Obama to claim that he is less awful than his predecessor. Meanwhile, the cost of inaction is mounting. If Mr Obama had helped impose a no-fly zone in Syria in 2012, then Bashar Assad would probably have been toppled and thousands of lives saved (and Vladimir Putin would not have come to be seen as a peacemaker). Wherever America has stepped back—Latin America, eastern Europe, Africa, the Middle East—it has created an unhealthy vacuum.

Look around the world and there are a surprising number of opportunities for a slightly more ambitious president. Some are in the "last chance" category, including those two familiar bugbears in the Middle East: Iran, which is ever closer to gaining a nuclear bomb (see next leader), and Israel-Palestine, where the chance of a two-state solution is ebbing away. Free trade, across the Pacific and the Atlantic, offers a big prize both economically and strategically, if it gets a determined push from the top in 2014. In Latin America the disappearance of Hugo Chávez gives Mr Obama a chance to unite the continent. Africa has yet to hear much from America's first black president. India, frightened by China, might listen to America more now that Anglo-Saxon capitalism looks a little healthier. And so the list goes on. None of these things requires the only superpower to take on the imperial arrogance that so distinguished the Bush presidency. Nobody wants invasions or democratisation by force. But in 2014 the world will crave leadership. Mr Obama should deliver it. ■

military action aimed at destroying Iran's nuclear sites with bombs and missiles. Mr Obama has repeatedly made it clear that he will not tolerate an Iranian weapon. Although America's senators find it hard to agree that the sky is blue, they voted in 2012 by a thumping 90-1 against living with a nuclear Iran. Even if Mr Obama dares to break his pledge, Israel has vowed to strike in his place—and if Iran responds with fierce reprisals on Israeli cities or American targets, the United States could well be dragged in. During years of negotiations, diplomacy has been held out as the alternative to destruction. The coming months will reveal whether that alternative truly exists.

The second complication springs directly from this. On the one hand a deal would be a prize for a president who has struggled to define his policy during the Arab awakening. An agreement would not only spare America yet another attack against a Muslim country, it would also help avoid a potential collapse of Middle Eastern security. With a weapon, a nuclear Iran might feel emboldened to throw its weight around. Other regional powers, such as Saudi Arabia, might seek their own bombs. A nuclear stand-off in the Middle East is a fearsome prospect.

On the other hand, much as it yearns for a deal, America is eaten up by suspicion of Iran's avowals and disavowals. In years of talking, Iranian nuclear negotiators have repeatedly tempored and prevaricated. Why should anyone believe that this initiative is not just a ruse like so many others? Iran could simply be buying time to complete a bomb, and the chance to stop it with military action would have been lost.

The third difficulty overshadowing the talks is timing. Sanctions are paralysing the Iranian economy and undermining the regime. Oil sales, which once made up 80% of government revenue, have fallen by half since 2011. Foreign-exchange reserves are dwindling and even official measures put annual inflation at almost 40%. Because this is hurting the government, it wants urgent relief. But, by its nature, the nuclear programme is highly technical. Even if Iran co-operates, nailing down a secure deal would take many months. Given the lack of trust and the difficulty of reimposing sanctions that would have to be lifted in the event of a deal, countries will hesitate to reward Iran until they are convinced of real progress.

The risk is that Mr Rohani, having raised expectations with new openness to an accommodation with the West, will not have enough to show for embracing the "Great Satan". That would

America and Iran are in some ways natural allies

This is a poisonous brew of mistrust and threats. Nobody is negotiating from a position of strength. If the talks are to lead anywhere, therefore, they need very quickly to inspire a sense of confidence that they may succeed. The first impulse must come from Iran's negotiators. Only from their behaviour can the world judge if they are serious. If the Iranians show early signs of good faith, Mr Rohani must rapidly be given something in return for it. Mr Obama cannot be expected to get Congress to relax sanctions early on. Indeed Congress, eager to deprive Mr Obama of glory—or share in it—and sensitive to the fears of Israel's prime minister, Benjamin Netanyahu, could prove a sticking point. One idea is to release frozen Iranian funds, another is for European countries to play a part in easing sanctions. Step by painful step, such a path could possibly lead to a deal.

In the best of worlds, it might begin an historic rapprochement between America and Iran. In some ways they are natural allies. In the shah's day, America looked to Iran to stabilise a volatile region. If only Iran could shed its visceral anti-Americanism, it could do so again. More likely, though, is that any deal would prove less conclusive than it appears. With some sanctions lifted and a more distant threat of military action, Iran may resume its games again; Mr Obama would only be curbing the Iranian threat, not eradicating it. But, amid the turmoil of the modern Middle East, even that would count as an unexpected triumph. ■

Fast reactor in Tehran



leave him vulnerable to Iran's conservatives. Ultimately Iran's attitude depends on the approval of the supreme leader, Ayatollah Ali Khamenei. So far Mr Khamenei has hedged, welcoming the talks at the same time as he scorns America.

Light the fuse