



FARMAN-FARMAIAN
ANNUAL LECTURES

I

AMSTERDAM, 2017

FARMAN-FARMAIAN ANNUAL LECTURES

1



Sanctioning Iran:
A Nietzschean Theory of
Negative Imperialism
JUAN R. I. COLE



Prince Dr. Sabbar
Farman-Farmaian
Research Project 

Published by Farman-Farmaian Family
International Institute of Social History
<http://socialhistory.org>

ISBN-13: 978-90-821995-2-9

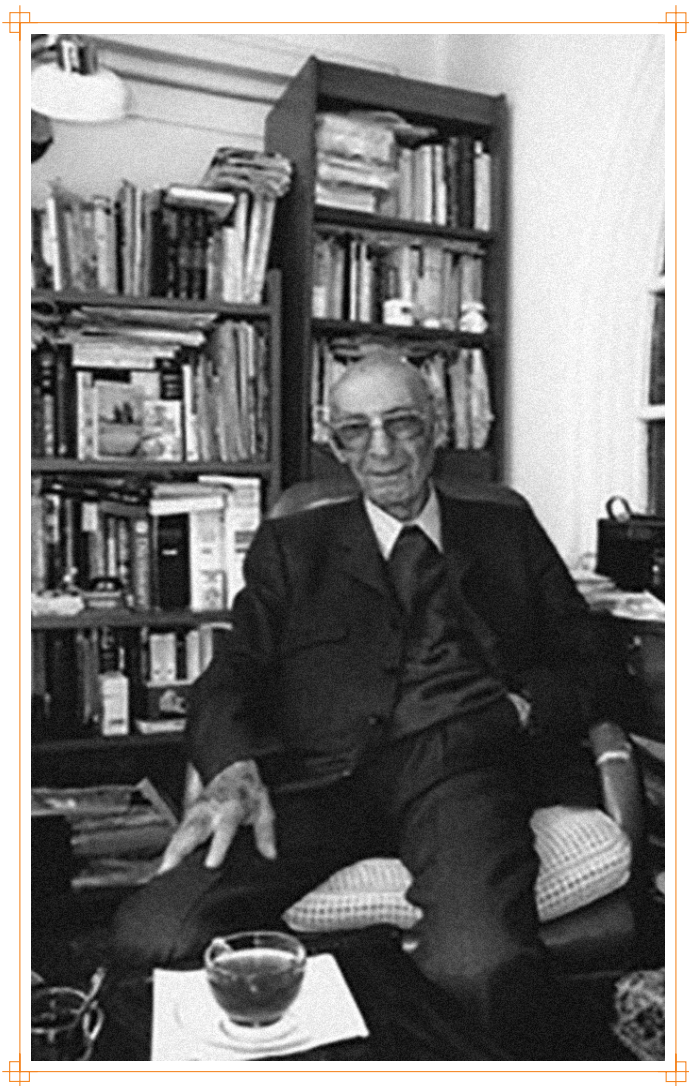
Design by Studio A, 2017

Printed in Canada by Sina Print

Amsterdam, March 2017

©2017, All rights reserved for SFFRP

Introduction	9
Sanctioning Iran: A Nietzschean Theory of Negative Imperialism	13
<i>Juan R. I. Cole</i>	



Prince Dr Sabbar Farman-Farmaian
(1912–2006)

Introduction

Prince Dr Sabbar Farman-Farmaian Research Project (SFFRP) is a nonprofit academic organization founded in 2013 to support and promote research and scholarship in all aspects of Iranian history, culture, and civilization. Initial funding for SFFRP was provided by the generous support of the Farman-Farmaian Family and the International Institute of Social History (IISH), Amsterdam, The Netherlands.

9

A key component of SFFRP's mission, as stated in its Operational Guidelines, is to convene Farman-Farmaian Annual Lecture by eminent scholars of Iranian Studies in their respective fields of expertise at the invitation of the SFFRP Executive Board.

Prince Dr Sabbar Farman-Farmaian (1912-2006), was the son of Abdol-Hossein Mirza Farmanfarma, one of the prominent princes of Iran's Qajar dynasty (r. 1785-1925). When he was twelve years old, Sabbar Farman-Farmaian was sent by his father to France and later to Switzerland to complete his studies. He received his doctorate in medicine from

10

the University of Geneva before returning to Iran in 1937. Towards the end of the Second World War, Dr Sabbar Farman-Farmaian continued his research at the University of London focusing on preventative methods and the cure of Malaria. On return to Iran he served at the Ministry of Health, supervising the project of eradication of Malaria in the Caspian Sea region in northern Iran. He was subsequently appointed as the head of the Pasteur Institute of Iran, a position in which he served for the rest of his professional life. In his will Dr Farman-Farmaian allocated his estate to build the second Pasteur Institute in Tehran and to promote education and research on Iranian Studies.

The first Farman-Farmaian Annual Lecture was delivered by Prof Juan Cole on 4 December 2015, in Amsterdam, under the auspices of the SFFRP and IISH. It is with added pleasure to announce that annual lectures will be subsequently published and made available by SFFRP.

Touraj Atabaki
Amsterdam, February 2017

Sanctioning Iran:
A Nietzschean Theory of
Negative Imperialism



JUAN R. I. COLE
Professor of History at the
University of Michigan
USA

Abstract

Juan Cole examines the way in which Iran's development has been stunted in modern history by imperial considerations. From railroads in the nineteenth century to modern day nuclear power restraints: how has Iran been affected by a Eurocentric world system?

These imperial considerations include the way in which Iran, unlike Egypt or India, was forbidden by Britain and Russia to build a railroad in the nineteenth century. In later decades the same issue re-emerged, this time in regard to the nationalization of the oil industry. Now, in our own time, considerations of American grand strategy have placed constraints on Iran's nuclear program. While apologists for imperialism, such as Niall Ferguson have stressed the technological benefits he alleges it brought to the colonized, Iran is a clear example of how the Eurocentric world system has stunted the potentiality of less powerful countries.

Keywords: Iran, Persia, Imperialism, Eurocentrism, modernization, Egypt, India

Sanctioning Iran: A Nietzschean Theory of Negative Imperialism*

Most of the great theories of imperialism have concerned the extraction of resources from the colonized by the imperial metropole. This generalization holds true of the British radical John A. Hobson and the Russian Marxist Vladimir Lenin. It also underlines Samir Amin's theory of the "development of underdevelopment."¹ These theories are serviceable for understanding key dimensions of modern empire-building, including European and North American treatment of Iran's petroleum

* This paper (edited February 2017) is an elaboration of a talk I gave in the Farman-Farmaian Lecture Series at the International Institute for Social History on 4 December, 2015. My thanks to Touraj Atabaki, for the honor of this kind invitation, and for his hospitality.

¹ The literature is vast, but see e.g. Patrick Wolfe, "History and Imperialism: A Century of Theory, from Marx to Postcolonialism," *The American Historical Review*, 102, 2 (April, 1997), pp. 388-420; and P.J. Cain and Mark Harrison, *Imperialism: Critical Concepts in Historical Studies* (London: Taylor & Francis, 2001).

industry and of its market for goods, but they do not explain the full range of imperial behavior. The long history of Western grand strategy toward Iran has been characterized not only by subordination and extraction of resources but also by marginalization and boycott, the opposite of an extractive determination. These instances of negative imperialism included the reluctance of the Russian and British governments to see a railroad in Qajar Iran and the Bush-Obama sanctions on Iran over the Iranian nuclear enrichment program. In these instances, Western companies were actually disadvantaged for the sake of imperial power interests. What I call “negative imperialism” is typically not the project of the multinational corporation but of politicians seeking to prevent the emergence of a regional hegemon or to deprive another Great Power of an advantage. That is, Western imperialism in Iran cannot solely be understood as the quest for ways of benefiting national companies. Negative imperialism is under the sign of Nietzsche’s will to power rather than Lenin’s monopoly capital.

17

J. A. Hobson argued that imperialism was a search by a national government in the service of a few manufacturing corporations for immature captive markets impelled by a crisis of industrial over-production.² When the factories of the imperialists put out more goods than the national market could absorb, these captains of industry sent the nation abroad in source of new markets

² J. A. Hobson, *Imperialism: A Theory* (London: James Nisbett & Co., 1902).

from which the imperialists wished to exclude their competition. Hobson observed that as a national proposition, imperialism was a bad bargain, since the volume of trade with these semi-tropical and tropical acquisitions remained low and often did not repay the costs of conquest administration. He thought that imperialism only looked national, but was in fact sectional, benefiting only a sliver of the nation's business classes. Moreover, imperialism violated the principle of free trade, attempting to coerce consumers in the conquered society into buying only from the ruling metropole. Hobson thought Britain would have been better off trading with others' colonies, allowing them to bear the expenses of empire, rather than establishing its own. Hobson's theory that a fraction of the business classes rather selfishly imposed imperialism on the nation in order to gain a monopoly on a market is exemplified in Iran by the Tobacco Regie, the monopoly in the marketing of Iranian tobacco acquired by a Maj. Talbot from Nasir al-Din Shah in 1891, which provoked a national revolt by farmers, merchants and clerics.³ There was also the grant of customs revenues at some Iranian ports to a Belgian concern. These transactions, however, do not involve attempting to dominate Iran as a consumer market for British or Belgian goods. Rather, they were attempts to extract profits from Iranian production itself.

³ Nikki R. Keddie, *Religion and rebellion in Iran: the tobacco protest of 1891-1892* (London: Cass, 1966); Homa Natiq, *Bāzargānān dar dād va sitad bā Bānk-i Shāhī va Rizhī Tanbākū: (bar pāyah-ī Ārshīv-i Amūn al-Zarb)* (Paris: Khavaran, 1992).

Although Hobson's theory influenced Vladimir Lenin, Lenin had his own approach to the vast burgeoning of imperial possessions in the late nineteenth and early twentieth centuries. In his 1916 pamphlet on the issue, he saw it as not only a search for markets but also and perhaps more importantly a search for an assured source of raw materials by monopoly and finance capital.⁴ A Leninist theory of British and American petroleum interests in Iran during the twentieth century would have some explanatory advantages, though it should be noted that the oil nationalization crisis of 1951-1953 eventuated in a sort of joint oil imperialism that benefited American corporations as well as Britain's Anglo-Iranian Oil Company. That is, Lenin's emphasis on monopoly as a driver of both domestic and international economic imperialism was overdrawn, and many examples can be found (Iraq 1926-1958, for instance), where nations and corporations were entirely willing to share the spoils of imperial conquest. Here, however, I am interested in two cases (railroads in the late Qajar era and nuclear energy in the early twenty-first century) where imperial elites foreswore opportunities for extractive profits in the service of power. Lenin's theory seems inadequate to understanding this phenomenon.

Another early twentieth-century strain of theorizing about imperialism saw it as an

⁴ Vladimir Il'ich Lenin, *Imperialism, the Last Stage of Capitalism* (London: Communist Party of Great Britain, 1917).

anachronism, as the project of a declining and doomed war-like aristocracy, destined to be supplanted by peaceful policies promoted by modern capitalism.⁵ Around the time he was serving as the Austrian finance minister in 1919, Joseph Schumpeter identified monarchies and the aristocracy as martial by nature, and predicted that as this social class was displaced by peaceful capitalists more interested in trade than conquest, war would atrophy.⁶ This assertion is not so much a theory as a stereotype, and even as Schumpeter wrote, the aristocracy in Western Europe was already in steep decline. Can anything be salvaged here? If we substitute state officials from any social class for the irrelevant category of an “aristocracy”, then perhaps the Schumpeterian school can still teach us something about the expansionism of the modern nation state. That is, aggression and ambition inheres not in a social class but in an institution. Just as businesses have an incentive to become larger, so states have an incentive to become more powerful.

Schumpeter’s condemnation of the inherent aggressiveness of the aristocracy may have derived from the widespread conviction that the Junker class played an outsized role in taking Germany into the disastrous Great War. This idea also appeared decades earlier, though in an approving form, in the writings of Friedrich Nietzsche,

⁵ P.J. Cain, “Capitalism, Aristocracy and Empire: Some ‘Classical’ Theories of Imperialism Revisited,” *The Journal of Imperial and Commonwealth History* 35, 1 (March 2007), pp. 25-47.

⁶ Joseph A. Schumpeter, *Zur Soziologie der Imperialismen* (Tübingen: Mohr, 1919).

which were influential in German thinking about imperialism.⁷ Impatient with “rights” derived from contract, Nietzsche wrote in his notebook in the 1880s, “at least a people ought to consider with just as much justification its need for conquest, its craving for power, as a right, whether it be with weapons, with trade, commerce and colonization - a right to growth, so to speak”.⁸ Nietzsche yearned for a united Europe ruled by a ruthless oligarchy, which would also subject the rest of the world, supplanting a feeble and democratizing Britain. The state, Nietzsche believed, needs enemies, both internal and external, if it is to make its mark, and the mark of a non-decadent ruling caste is a willingness to do what needs to be done to crush this opposition. Inasmuch as negative imperialism is typically a search for power advantage against an enemy, involving the imposition of disadvantages on that enemy or on a third party caught in the crossfire, it has a Nietzschean shape.

21

The Railroad that Was Not Built

Initially, opposition to the railroad in late Qajar Iran was primarily Russian. In the 1880s, the British proposed a railway from Ahwaz to Tehran. Given their naval dominance of the Persian Gulf, the British could have used such a

⁷ Robert C. Holub, “Nietzsche’s Colonialist Imagination: Nueva Germania, Good Europeanism and Great Politics,” in Sara Friedrichsmeyer, Sara Lennox and Susanne Zantop, eds. *The Imperialist Imagination: German Colonialism and its Legacy* (Ann Arbor: University of Michigan Press, 1998), Chapter 3.

⁸ Quoted in *Ibid.*, p. 43.

rail link to penetrate commercially further into the Iranian interior. Arnold T. Wilson maintained that in 1887 the Russian minister in Tehran convinced Nasir al-Din Shah to give the Russian Empire a veto over any new railway or waterway construction in Iran, thus forestalling such British advances. Arnold maintained that the Tsar held it over the shah's head that Russia could renege on its pledge to guarantee that Iran would not be split up or colonized. In 1888, the lower Karun River was opened by the shah to navigation, which St. Petersburg viewed as a British advance. In riposte, Russia secured from Nasir al-Din Shah in 1889 an agreement that gave a Russian company a five-year exclusive option of building railways in Iran. This concession was never acted upon. A decade later, the Russian consul in Baghdad proposed to the Ottomans a Russian naval base in the Persian Gulf, and the Russian ambassador to Vienna, Count Kapnist, sought from the Ottoman sultan permission to build a railway from Tripoli on the Mediterranean coast down to Kuwait. The British, jealous of their naval monopoly over the Persian Gulf, feared that St. Petersburg had an eye on Kuwait, with the aim of turning the Gulf into a "Russian lake." Only with the 1907 treaty that partitioned Iran into Russian and British spheres of influence, bestowing the southern zone on Britain, did relations between the two great powers relax momentarily.⁹

⁹ Arnold Talbot Wilson, *The Persian Gulf: An historical sketch from the earliest times to the beginning of the twentieth century* (Oxford: Clarendon Press, 1928; reprinted London: Routledge, 2011), pp. 258-59.

Some British observers saw clearly what was wrong. Ella Sykes, sister of the diplomat and spy Percy Sykes, wrote in 1910,

“Owing to the lack of communications very little is done to tap the resources of the country. For example, Persia possesses many minerals, but as she has no railways, roads, or navigable rivers to carry them to the ports or to markets, this source of wealth is almost untouched. The famous turquoise mines near Nishabur, which have been known from very early times, produce the only precious stones which have been found in the kingdom, and are most inadequately worked, and the valuable Caspian fisheries are leased to a Russian company most of the sturgeon or salmon caught in abundance finding their way to Russia. For many years, the imports of Persia have exceeded the exports, and this is partly owing to the slow and expensive methods of carriage, and still more to a short-sighted Government that puts obstacles in the way of enterprise and is suspicious of any man who becomes rich and does not conceal the fact.”

23

It is a little rich that Sykes, whose brother was in British imperial service, manages to blame the

Iranian government for the lack of railways and “carriage,” when in fact this infrastructural deficit had been imposed on the country by Anglo-Russian rivalry.

24

The post-1907 calm between St. Petersburg and London with regard to Iran was interrupted briefly in 1910 by a Russian rapprochement with imperial Germany at Potsdam, during which talk revived of a Russian-funded trans-Iranian railway. At this point, Nicholas II appeared determined completely to disregard British sensitivities. A proposal was floated in the Duma to build a 21 million British pounds railway all the way from the Russian frontier right down to Iranian Baluchistan, on the border with British India. Bonakdarian notes that Russia proposed that the Trans-Iranian railway be constructed by “an international syndicate headed by Russian firms.”¹⁰ The proposal revived British fears of a Russian thrust toward the Persian Gulf, and former Viceroy of India Nathaniel Curzon, then a member of the House of Lords, asked whether the Iranian government or the Iranian people really wanted this railway (engaging in a long tradition of imperialist ventriloquism in which London’s reservations were displaced onto the “people” of the colonial object). On the other hand, some British commercial interests did not share officialdom’s anxieties about a Russian incursion into the Persian Gulf, and they thought

¹⁰ Mansour Bonakdarian, *Britain and the Iranian constitutional revolution of 1906-1911: foreign policy, imperialism, and dissent* (Syracuse: Syracuse University Press in association with the Iran Heritage Foundation, 2006), pp. 240-41.

a trans-Iranian railway might make them money. Bonakdarian observes, “the British syndicate in the proposed international consortium for overseeing the project (Société d’études) was to include the British-owned Imperial Bank of Persia, the Anglo-Persian Oil Company, the British India Steam Navigation Company, and Messrs. Lynch [Euphrates and Tigris] Steam Navigation Company”.¹¹

Curzon in general opposed British “mercenary projects” in Iran, perhaps remembering the Tobacco Revolt of 1891-92 when the shah’s concession to a British colonel on tobacco exports provoked a national uprising, or the 1905-1911 Constitutional Revolution, which involved protests of European economic dominance. He felt that foreign monopoly capital always excited local passions against it.¹² Calm and security on the frontiers of British India was more important, he clearly believed.

In addition, in private anti-Russian hawks were briefing Curzon. Thomas Henry Sanderson, who had served as permanent Under-Secretary of State for Foreign Affairs from 1894 until his retirement in 1906, at this point wrote to Curzon. He said that the Intelligence Department of the War Office had been warning the British government for some fifteen years that infrastructural advances in northern Iran had opened it to the threat of Russian penetration or even occupation: “the improvements made in railways and roads had rendered the Russian occupation of all Northern

¹¹ Ibid., p. 332.

¹² Ibid., p. 18

Persia a comparatively easy and inexpensive operation, instead of being, as previously, a lengthy, onerous costly undertaking partaking of the nature of a mountain campaign . . .”¹³ One of the worries was that railway-building on the Russian side of the border had reached the point where the Tsar could send his troops into northern Iran with some ease. (Britain, France and the Ottomans had defeated Russia in the Crimea in 1853-56 precisely because St. Petersburg did not have rail links to that province and so could not easily move its land army down to it). Sanderson observed, “As regards railways . . . trains run regularly from Tiflis through Erivan to Julfa on the Aras, the boundary of Persia, from whence there is now a good road to Tabriz and on to Tehran. The line has certainly been made within the last few years and the I. D. [Intelligence Department] were never tired of telling us of the network of railways converging through Voronez, Kherkoff and Rostoff on Astrakhan, Petrovsk and Baku by which troops could be brought from all parts of Russia to Persia and Transcaspia”. The upshot of Sanderson’s letters, and of the Intelligence Department whose sentiments they conveyed, was that allowing a Russian-built railroad to bisect Iran down to Baluchistan would be suicide for British interests in that country, and would endanger British India and British hegemony in the Persian Gulf.

¹³ Sanderson to Curzon, private, 27 and 30 July 1912, IOL, MSS Eur. F 113/251, quoted in Rose Greaves, “Iranian Relations with Britain and British India, 1798-1921,” *Cambridge History of Iran*, Volume 7 (Cambridge: Cambridge University Press, 1991), p. 411.

This conflict between British big capital (including, it should be noted, the Anglo-Persian Oil Company) and career British administrators such as Curzon demonstrates the Achilles' heel of a purely economic theory of imperialism. Curzon clearly held that any money to be made on the project by British firms was not worth the strategic risk to British hegemony over the Persian Gulf or the possibility of trouble on the border of British India. Curzon was engaged in "negative imperialism" in this case, urging the blocking Iranian national economic development to ensure continued British hegemony in southern Iran, in order to protect both British India and the Persian Gulf from Russian penetration (including business penetration). In the end, the 1910 railway project lapsed, in part because of the inability of Russia and Britain to reach an agreement. The outbreak of WW I, which forced St. Petersburg back into a close alliance with Britain, spelled the end of it.

27

In this phase of Anglo-Russian imperialism in Iran, from the 1880s until the end of World War I, there was no fear of Iran itself emerging as a regional hegemon. Such considerations were not completely absent from British India's Afghanistan policy in the nineteenth century, but Iran did not pose the sort of threat that the Afghan royal court and its loyal Pushtun tribes did to British interests in the rugged Northwest Frontier. Rather, negative imperialism both on the part of Russia and Britain was aimed at blocking the other Great Power. Economic considerations occasionally drove

policy initiatives aimed at securing commercial advantages. The British helped open the Karun River to international trade, allowing an important increase in cash cropping in the 1890s and after. Russian infrastructural advances on the Russian side of the border allowed more trade and contacts with Tabriz, for instance. The lack of a railroad, however, was fatal to Iran's economic advance in the Qajar period. Issawi estimated that international trade grew by a factor of 50 in Egypt in the nineteenth century. In Iran, it was a factor of 12.¹⁴

The Nuclear Bomb that wasn't Allowed

A second case in this exploration of negative imperialism and Iran is the international sanctions regime imposed over Iran's nuclear enrichment program, which appears to have begun in the very late 1990s and which was exposed in late 2002 by internal spies, probably from the Mojahedin-e Khalq Organization. The subsequent history of Iran's enrichment efforts provoked heated charges from the regime's enemies and seemingly contradictory statements and policies within the country.¹⁵

By late in the first decade of the twenty-first century, it was clear that Iran was making a

¹⁴ Charles Issawi, *The Economic History of Iran* (Chicago: University of Chicago Press, 1971)

¹⁵ A brief history of the program is given concisely in Jorge Morales Pedraza and Sahar Rezapour, "Nuclear Agreement between Iran and the P5+1 Group: The Impact of this Agreement on the Non-Proliferation Regime," *Current Politics and Economics of the Middle East* 6, 4 (2015), pp. 759-781.

drive to close the fuel cycle and to be capable of independently enriching uranium to at least the 5 percent or so needed to run reactors for electricity production and also to the 20 percent needed for its medical reactor. Fuel for the medical reactor, originally a gift to the Shah from the United States, had for a long time been provided by Argentina, but that country mothballed its enrichment program. The medical reactor produced isotopes for treating cancer, and Iranian nuclear officials appear to have seen the need for fuel at the upper ranges of what is considered low-enriched uranium (19.75 percent, while anything above 20 percent is considered highly enriched) as an opportunity to test their ability to enrich at higher levels. US intelligence agencies repeatedly expressed the view, with high confidence, that Iran had no nuclear weapons program. (Whether Iran may have carried out experiments that might be useful were it ever to establish such a program was more controversial). In contrast, officials of the Bush administration, and Israeli prime minister Binyamin Netanyahu forcefully maintained that Iran's nuclear program was for weapons and Netanyahu repeatedly threatened to bomb the Natanz enrichment facilities, apparently constrained only by his own security officials.¹⁶

In contrast to the American establishment, the Iranians spoke with one voice. All high officials of the Islamic Republic, including the Leader, Ali Khamenei, denied that they were seeking nuclear

¹⁶ Trita Parsi, *Treacherous alliance: the secret dealings of Israel, Iran, and the United States* (New Haven: Yale University Press, 2007).

weapons. As the official IRNA news service reported, Khamenei issued a fatwa or considered legal opinion that “the production, stockpiling, and use of nuclear weapons are forbidden under Islam and that the Islamic Republic of Iran shall never acquire these weapons.”¹⁷ Because Khamenei is also the jurisprudential guardian (*valiy-e faqih*) for Iran, Iranian authorities hold that this fatwa actually has the status of an irreversible governmental decree (*hukm*).¹⁸ Cynical Western intelligence analysts discounted the fatwas, which were issued repeatedly, as a sort of smokescreen and insincere. Other observers pointed out that, given the importance of clerical prestige and charisma to the Islamic Republic’s system of governance, to issue an openly duplicitous fatwa would be risky for Khamenei.

There was, moreover, nothing implausible about the fatwa. The medieval clerical tradition of interpreting the law of war in Islam forbids killing innocent non-combatants such as women, children and unarmed men; ipso facto it forbids deploying nuclear weapons. It seems likely, however, that even if Khamenei was dead set against nuclear weapons, there were powerful forces in the Islamic Republic who did want the deterrence they offer, including

¹⁷ “Iran Statement to IAEA on Khamenei Fatwa Forbidding Nuclear Weapons,” IRNA, 10 August, 2005 archived <http://www.juancole.com/2005/08/irna-carries-iran-statement-to-iaea-on-khamenei-fatwa-forbidding-nuclear-weapons.html>

¹⁸ Ali Nasiri, “Aslihat al-dammar al-shamil min manzur fiqh Islami”, *al-Sirat*, 2 March, 2015 <<http://www.al-serat.com/content.php?article=888&part=maintable>>

officers of the Iranian Revolutionary Guards Corps officers and some in the scientific and engineering community. The civilian uranium enrichment program was probably a compromise between the two. A civilian enrichment program would give the nuclear hawks the opportunity to engage in experiments that, while not strictly military, could have implications for a downstream military program.

31

Moreover, a civilian enrichment program was a form of nuclear armaments latency that had some deterrent effects. Latency is the possession of a nuclear energy program that would allow the production of a nuclear weapon on short notice if an extreme danger to national autonomy reared its ugly head. Nuclear latency is sometimes called the “Japan option,” because, given its sophisticated scientific establishment, plutonium stockpiles, and enormous economy, Japan could clearly produce a nuclear weapon on short notice if its government decided to mount a crash program. Still, Japan has done no such thing and therefore has not suffered the reputational damage that proliferation would have done to it, in contrast to North Korea, which became an international pariah and suffered economically. One observer called this a “hedging strategy” of latency.¹⁹

Khamenei’s interest in nuclear latency in the 2000s was underpinned by three major

¹⁹ Zachary S. Davis, “Strategic Latency and World Order,” *Orbis* 55, 1 (2011), pp. 69-84.

considerations. First, nuclear reactors gave Iran a hope of energy independence. Iran had begun to use domestically a substantial proportion of its daily production of petroleum, and it risked following previous OPEC countries such as Indonesia into using all of it, depriving the government of its income windfall. At that point, Khamenei feared, Iran would be dragooned back into the neo-liberal, America-centric order that had dominated Iran under the Shah. In a 2006 speech, he said, “The world and the countries that want to secure their future are all against the monopoly of nuclear technology by a few countries. To say that no country has the right to have access to nuclear technology means that in 20 years’ time, all of the countries of the world will have to beg certain Western or European countries to meet their energy demands. They will have to beg for energy in order to run their lives. Which country, nation, or honest official is ready to take that? Today, our nation has taken a step forward in this road”.²⁰

The second consideration was simply national pride and rejection of humiliation. This theme hearkened back to the deprivation of Iran of the possibility of a railroad by the imperial powers in the late Qajar period, and to the Central Intelligence

²⁰ “Iranian TV: Ayatollah Khamenei Speaks on Khomeyni’s Death Anniversary,” Islamic Republic of Iran News Network Television (IRINN), Sunday, 4 June, 2006 T20:31:17Z, trans. US government Open Source Center, Lexis Nexis, archived at <http://www.juancole.com/2006/06/khamenei-no-nuclear-weapon-program-no.html>

Agency coup of 1953. Khamenei said in the 2006 speech, “We want to properly use this big country and its huge natural and human resources – the resources which have been given to this nation and its officials. We want to relieve this nation of the burden of hundreds of years of humiliation. This nation feels proud and powerful and it has every right to feel so. This nation is proud and powerful, but it has been kept behind [by] both corrupt dictator systems and their foreign ill-willed supporters . . .”²¹

Third, nuclear latency would help fend off aggressive attempts at regime change by the Western powers or Israel, such as had reduced Iraq to rubble. That is, it has some of the same deterrent effects as having a nuclear weapon, but, it was hoped, with few of the reputational drawbacks.

The reason for which the Iranian authorities constructed a second enrichment facility at Fordow in the side of a mountain near Qom later in the zeroes of the last decade, in this reading, was not in order to pursue covert military enrichment experiments (for which there was never any evidence at that site, though certainly centrifuges were sited there for enrichment). The likely impetus was rather that the Natanz facility near Isfahan was out in the open and too easily bombed or struck with missiles. Moreover, the Israelis and some Americans had repeatedly threatened to strike it, envisaging an air raid like that of the Israelis against the Iraq Osirak reactor in 1981. A nuclear enrichment program

²¹ Ibid.

such as that at Natanz, which is subject to being wiped out by a military strike, cannot truly provide nuclear latency. The Qom facility was necessary in the regime's eyes if the latency strategy was to be preserved.

34

The problem for the West was that nuclear latency is not illegal under the Nuclear Non-Proliferation Treaty. And conveniently for Khamenei, nuclear latency was not incompatible with Islamic law. In my view, that is why the US and its close allies had to pretend that Iran was actually seeking a nuclear bomb, despite the lack of evidence for serious weaponization; they were using this pretense as a way to attempt to forestall a Japan option. It was to this option that they really objected, since it would have been a geostrategic game changer for the region in and of itself. That is, if Iran could quickly construct a bomb in the face of invasion preparations by its enemies and were therefore safe from conventional military attack by Israel or the United States because of Mutual Assured Destruction, then Tehran could more openly flex its muscles to become a regional hegemon.

Iran has many of what Mearsheime²² calls latent advantages - a population of 78 million, a GDP of \$400 billion, a diversified economy, a substantial land army, and a politically mobilized population (though note that its military spending is miniscule

²² John J. Mearsheimer, "Structural Realism", in Tim Dunne, Milja Kurki, and Steve Smith, eds., *International Relations Theories: Discipline and Diversity* (Oxford: Oxford University Press, 2006), pp. 71-88.

compared to most of its neighbors). If nuclear latency were added to these advantages, it could become extremely powerful. In contrast, Israel only has a population of eight million, six million of them Jews. The Persian Gulf oil monarchies are tiny except for Saudi Arabia, which nevertheless is only a fourth as populous as Iran. Because of the Bush administration's debacle in Iraq, Iran had picked up Iraq as an ally, adding it to Syria and Lebanon, and so had a bloc stretching from the Oxus to the Mediterranean. Turkey is the only comparable power in the region, but it has been reluctant to butt heads with Iran even when the two differed deeply, as over Syria policy. Turkey and Iran both have an interest in containing Kurdish ethno-nationalism, and in expanding bilateral trade with one another, and by 2016 were perhaps coming to see more eye to eye on the need to suppress radical Sunni fundamentalism.

Israel and Saudi Arabia saw the possibility of Iranian latency as threatening, since it overturned their joint hegemony in the region, and this threat to the status quo also alarmed the EU and the United States. Through the Bush administration and the early years of Barack Obama's presidency, the General Assembly remained unconvinced that Iran intended to proliferate, and at the level of the Security Council China and Russia were reluctant to see Iran heavily sanctioned or subject to force.

From 2012-2013, however, the administration of Barack Obama began pursuing a policy of what it

called “severe” sanctions in response to Iran’s alleged refusal to meet its international obligations.²³ These sanctions sought drastically to reduce Iran’s petroleum exports, by enlisting Europe in a boycott of Iranian goods, by threatening twelve major Asian importers with Treasury Department sanctions if they did not reduce their imports from Iran, and by having Iran’s banks excluded from the major financial exchanges. When Iran sought to do deals in riyals rather than dollars, the Treasury Department put sanctions on international riyal transactions, as well.

Although Iran’s nuclear enrichment program was the focus of this new sanctions push, President Obama may have developed larger strategic goals as the sanctions continued. With the rise of Daesh (the so-called “Islamic State” group) in 2014 and its annexation of 40 percent of Iraq, Obama needed regional partners to roll it up. Turkey, Syria and Saudi Arabia all had other preoccupations. Only the Shiite-dominated Baghdad government of Iraq and the Islamic Republic of Iran were willing actually to prosecute the hard fight on the ground. Obama as of 2014 abruptly needed Iran for offshore balancing against Daesh. This desideratum made it all the more urgent that the issue of Iran’s nuclear enrichment program be resolved, so as to make a de facto battlefield alliance less encumbered with political obstacles and embarrassment.

²³ Rick Gladstone, “U.S. Adds to Its List of Sanctions Against Iran”, *The New York Times*, 3 June 2013 http://www.nytimes.com/2013/06/04/world/middleeast/us-adds-to-its-list-of-sanctions-against-iran.html?_r=0

That further sanctions were imposed just after the election of a new Iranian president, the center-right Hassan Rouhani, was seen as an American slap in the face for the man who succeeded the erratic far right populist, Mahmoud Ahmadinejad. Unlike his combative predecessor, Rouhani pledged more cooperation with nuclear inspectors and said he would allay the anxieties of the West concerning Iranian enrichment.

37

Among the more effective lobbies for this Congressional war on Iranian oil was the hawkish, pro-Israel “Foundation for Defense of Democracies”, the three biggest funders of which are Sheldon Adelson, Home Depot CEO Herman Marcus, and hedge fund billionaire Paul Singers. In other words, there was a domestic political dimension of the US financial blockade of Iranian petroleum in the form of the Israel lobbies. Congress was attempting to punish Iran economically into mothballing its civilian nuclear enrichment program, in part to remove any threat to Israeli hegemony over the Arab Levant on the Palestinian issue. Israel had pushed Palestinians into exile in Lebanon, Syria and Jordan beginning in 1948, and since 1967 had kept millions of Palestinians in Gaza and the West Bank in a condition of statelessness. Despite an occasional rhetoric of “peace process,” the right wing was dedicated to defending this status quo to the hilt, and Washington at the least seldom did anything to challenge Israeli colonization of the Palestinian West Bank. Israeli hegemony was underpinned by the large and sophisticated conventional arsenal

with which Congress had equipped Israel, but also by that country's stockpile of several hundred nuclear weapons. Israel had neutralized Egypt and Jordan through a combination of wars and diplomacy. It faced, however, a continued guerrilla resistance from Shiites and Palestinians in Lebanon, and a rhetorically hostile Syria. Iran's support to Hezbollah and Hamas was little more than an annoyance if Iran were a distant and militarily weak power. If, however, it was permitted to achieve nuclear latency or ultimately an actual nuclear arsenal, many of Israel's advantages, and perhaps its hegemony over the Levant, would evaporate.

In the early period of severe American sanctions, 2012-2013, Iranian petroleum exports were reduced by half from an average of 2.2 million barrels a day. In 2012-2014 Iran's \$400 billion a year gross domestic product was cut by 7 percent.²⁴ The effects on the Iranian middle classes were significant, leaving them less ability to travel abroad and with lower disposable income at home. Some in the working class and among the poor began finding e.g. expensive medicines slipping beyond their reach. The value of the riyal plummeted against international currencies.

American ambitions to stop Iranian exports of petroleum entirely, however, were stymied. The Treasury Department could only ask allies such as

²⁴ "Iran's Oil Revenue Falls 30% Because of Global Price Decline," Bloomberg, 30 October, 2014 <https://www.bloomberg.com/news/articles/2014-10-29/iran-oil-revenue-shrinks-30-percent-on-price-drop-rouhani-says>

Japan and South Korea to make good-faith efforts to reduce their imports of Iranian petroleum, and provided a waiver if the State Department were satisfied with those efforts - even where substantial imports continued. The US had arranged with Saudi Arabia to flood the market. Saudi Arabia had the ability to pump an extra million barrels a day to make up for the petroleum Iran had to keep in the ground, but in that era petroleum demand was sufficiently robust that Iran was still able to move over a million barrels a day, at historically high prices over \$100 a barrel. That is, one of the obstacles to success the severe sanctions faced was that the Iranian state was receiving nearly as much in revenues from its much-reduced exports in 2013 as it had been from exporting twice as much in low-price years like 2009.

39

Another obstacle was the reluctance of Asian countries less in the orbit of the United States, such as India and China, to cooperate. India had difficulty resisting the allure of less-expensive Iranian petroleum, since it has little of its own and was being hurt by the high prices of that time. China was driven by several considerations. Its policies were then guided by its ideology of harmonious development, i.e. of avoiding geopolitical conflicts with other great powers as it rose in importance economically. In addition, China did not want to see Iran acquire a nuclear weapon. Beijing's position was that it would abide by United Nations sanctions on Iran but not arbitrary US ones. Still, mindful of Treasury Department threats, China therefore did

drastically curtail its investments in Iran in 2013, and cut its oil imports from that country by 12 percent from the previous year. It nevertheless was not entirely cooperative with the severe US-led sanctions regime. Some of the reduction in imports may have derived from practical issues.²⁵ The international oil tanker business requires insurance, and the big insurers had dropped Iran. Iran therefore had to buy some 12 oil supertankers in 2013 and insure them itself, in order to continue attempting to meet Chinese import orders.

The oil price collapse that began in July, 2014 was probably a key and unforeseen aid to the Obama administration in pressuring Iran into a diplomatic agreement on its nuclear enrichment program. By October, Iran's oil income had been cut 30 percent.²⁶

The diplomatic agreement into which the UN Security Council, led by the United States, forced Iran, required Tehran to make very substantial concessions. American experts had assessed that Iran had four pathways to a nuclear weapon, and attempted to close off all of them. The number of centrifuges was reduced from 20,000 to 6,000 and the use of new and more efficient centrifuges forbidden. The stockpiles of LEU enriched to 19.75 percent were cast in a form

²⁵ Janet Xuanli Liao, "China's Energy Diplomacy and Its 'Peaceful Rise' Ambition: The Cases of Sudan and Iran", *Asian Journal of Peacebuilding* (Seoul) 1,2 (November 2013), pp. 197-225.

²⁶ "Iran's Oil Revenue Falls 30%," Bloomberg, op cit.

that made them impossible to use for bomb-making. The planned heavy water reactor at Arak was decommissioned. In return, European Union and UNSC sanctions were dropped in January, 2016. Because the US Congress insisted on retaining US sanctions, however, many international corporations feared to rush into the Iranian market lest the US Department of the Treasury Department sanction them for violating US law. Corporations with American subsidiaries or which used American-made parts were open to being fined. Even Airbus, the European maker of jet liners, had to receive a waiver from President Obama to sell Iran 100 civilian aircraft after the JCPOA was inked, because it does use American parts. Obama also issued a waiver for Seattle-based Boeing to sell 80 civilian airliners to Iran. Underlining the ways in which negative imperialism is still more important than economic imperialism in US-Iranian relations, however, is the opposition in the usually pro-business US Congress to the Boeing deal. The Republican-controlled Congress actually introduced a bill to derail it.²⁷ Economic imperialism would predict that Washington decision-makers, lobbied by corporations like Boeing, would be so eager for such a deal that they would seek to impose it on Iran against Tehran's will. Instead, Congress appeared in this instance entirely unconcerned about the profits of a major corporation, and, far from attempting to exclude Airbus in favor of

²⁷ "U.S. House votes to bar sales of commercial aircraft to Iran," Reuters, Nov 17, 2016 <http://www.reuters.com/article/us-iran-aviation-usa-idUSKBN13C2MJ>

Boeing, seemed to be willing to have some other concern (whether Airbus, Canada's Bombardier, Brazil's Embraer or Russia's Tupolev) sell Iran the other 80 jet liners. This stance derives from the GOP's latent white nationalism and the party's strong alliance with Israel and Saudi Arabia, and cannot be explained by capitalism.

42

The economic benefits to Iran of making the nuclear deal have therefore not been as robust as the circle of President Hasan Rouhani had hoped, since Iran is very much still the object of Washington's policy of negative imperialism. The US is not interested in extractive imperialism when it comes to Iran, now, especially after the advent of hydraulic fracturing, which since about 2005 has allowed an increase in US oil and natural gas production. It is interested in keeping Iran weak and curtailing any geopolitical ambitions it might have, in subjecting it to an American will to power.

This will to power as a primary impetus for Washington's Iran policy emerged even more clearly with the presidency of Donald J. Trump in 2017. Trump viewed the JCPOA with suspicion, insisting that it had given too much away to Iran, though he did not typically specify its chief inadequacies. He initially pledged to reopen negotiations and to seek an allegedly better deal upon assuming the presidency, but was apparently persuaded not to withdraw from the JCPOA by his newly appointed cabinet officials. It is not clear that President Trump understood that the agreement was

concluded between Iran and the Security Council plus Germany as a representative of the European Union. As a result, were the US to withdraw from the JCPOA, it would likely continue to be honored by all the other parties. Since the US has not given Iran relief from unilateral sanctions, moreover, the Iranians gain little from American acquiescence in it except perhaps greater safety from American military aggression. Even were the US to withdraw as signatory, it might find it difficult to launch a war on Iran, since the rest of the world would not support it in the wake of the negotiated agreement, and would not believe that Iran is proliferating given ongoing IAEA inspections and the reduction of enrichment capabilities.

43

After a period of better relations under Barack Obama, US-Iran tensions rose immediately with the Trump presidency.²⁸ In an executive order authored by white supremacist Steve Bannon, his White House strategist, Trump named Iranians as one of the seven nationalities to whom visas would not be issued for a three-month, renewable period. The Iranian government immediately announced a reciprocal ban on new visas for US citizens. Bannon believes that a war is coming between the United States and the Muslim world on the one hand, and between the United States and China, on the other, and his ban on visas and the granting of refugee status for seven Muslim-majority

²⁸ "Trump administration imposes new sanctions on Iran," *The Guardian*, 3 February, 2017 <https://www.theguardian.com/us-news/2017/feb/03/trump-administration-iran-sanctions>

nations may have been framed in the context of war preparations.

44

Gen. Mike Flynn, who was briefly National Security Adviser, delivered a screed against the Islamic Republic less than two weeks after the inauguration, in which he said he was “putting Iran on notice.” The administration also put new sanctions on several Iranian individuals and firms. Among the issues for which his communiqué blasted Iran was the continued testing of ballistic missiles and Iran’s support for the Houthi militia in north Yemen. Although the Trump administration insisted that ballistic missile development and testing are forbidden by the JCPOA, it actually only prohibits the development of missiles on which warheads can be fitted.

Paradoxically, at the same time the new Trump team hyped the Yemen conflict as a US-Iran issue, the president’s rapprochement with Russia’s Vladimir Putin and acquiescence in Syria as a Russian sphere of influence should have reduced tensions with Iran. Russia and Iran are allies in Syria, insisting that the Baath Party regime, secular and anti-fundamentalist, be propped up there as a way of creating a firewall against radical Sunni fundamentalism of the al-Qaeda and ISIL sort. As for Yemen, the Houthi coup government established in fall of 2014 was a largely indigenous development. Militant Zaydi Shiites, the Houthis resent Saudi hegemony over the Arabian Peninsula, and more especially the proselytization efforts of

hard-line Wahhabis backed by the Saudi state, who are typically anti-Shiite. The Houthis are allied with deposed dictator Ali Abdullah Saleh, who used the alliance to come back to power, and directed Yemeni troops still loyal to him to open weapons depots (with mainly American weapons in them) to the Houthis. Iran may support the Houthis in some minor way, but the Saudi and American line that they are merely cat's paws of Iran is unsupported by any evidence.²⁹ The aggressive war of Saudi Arabia and some of its allies on the Houthis and Saleh's forces in Yemen that began in spring of 2015 is an attempt to reestablish Saudi hegemony after the disarray of the Arab Spring and the rise of militant Zaydi Shiism. US power in the Middle East depends on offshore balancing, and by supporting the Saudis against Iran on issues such as Yemen (as Riyadh formulates it), and by supporting Israel against Iran on the continued subjection of the Palestinians, Washington is able to gain influence regionally. As Nietzsche pointed out, imperial powers flourish from having enemies (presumably if the enemies are not very powerful).

Iran was the subject of Great Power ambitions as they were formulated by the theorists of economic imperialism in the late nineteenth and through the twentieth century. In particular, Iranian petroleum led to forceful imperial intervention, and even to collaboration with right wing generals in the

²⁹ Thomas Juneau, "Iran's policy towards the Houthis in Yemen: a limited return on a modest investment, *International Affairs*, 92, 3 (May 2016), pp. 647-663.

overthrow of an elected government, in 1953. Policy toward Iran has, however, been complex, and on at least two major occasions a policy of negative imperialism was adopted in the halls of the Powers. Despite the obvious opportunities for greater trade and profit if Iran were equipped with a rail network, Anglo-Russian rivalry tended to work against any such project. British imperialists such as Lord Curzon felt that allowing British firms to seek profits in Iran via a railroad might stir up popular resentment of foreign capital of the sort visible in the early 1890s in the Tobacco Revolt and in the 1905-1909 Constitutional Revolution. In turn, he saw such turmoil as a threat to the security of British India, a far greater prize in his view. Iran's economic development, in this view, had to be sacrificed for the sake of the British Empire's larger concerns. In addition, British intelligence feared a thickening of rail networks in northern Iran, which would inevitably link to those in the Russian Empire and make a Tsarist demarche all the easier.

Likewise, the US-led severe sanctions on Iran in 2012-2015 involved a denial of profits to corporations on a vast scale. Peugeot was forced to stop exporting spare parts to Iran and to end its relationship with Iran Khodro, losing 10 percent of its business globally.³⁰ Royal Dutch Shell and Total S.A. were dissuaded from developing liquefied natural gas facilities at the vast South Pars gas field. Seoul banks were forced to stop accepting payments from Iran, affecting \$5 billion a year in South Korean exports to Iran. It was remarkable that the Obama administration

³⁰ "Iran says Peugeot to pay \$446 million compensation for sanctions move", Reuters Feb 7, 2016.

was as successful as it was in imposing an economic boycott on Iran, though that boycott was only about half as efficacious as Washington wanted it to be, with substantial resistance from India, China, Russia and even Turkey, as well as many Asian importers of discounted Iranian petroleum.

This episode in negative imperialism succeeded in making it very difficult for Iran to construct a nuclear weapon any time soon. Why would a state like Iran, in constant danger of invasion or overthrow, give up such a prospect? I am arguing that the highest state actors in Iran did not want a nuclear weapon in the first place, and so were giving up little to receive sanctions relief. They had to swallow some pride and allow inspections, and abandon some projects. What of my argument that they were seeking nuclear latency? I would hold that once the UNSC plus one recognized Iran's right to a nuclear enrichment program for civilian purposes, the world community thereby recognized Iranian nuclear latency. In that sense, Iran won the most important concession.

The negotiations by the international community then focused on pushing the window for any weapons breakout to about a year by drastically curtailing the number and efficiency of centrifuges and mandating that stockpiles of enriched uranium be reduced. In addition, it deprived Tehran of easy paths to proliferation such as a heavy water reactor. The international sanctions relief was therefore proffered on two grounds. The first was that the UNSC and Germany had to be convinced that

Iran had abandoned in at least the medium term any weaponization of its enrichment program. I hold that this step was easily taken since a physical bomb was never Ayatollah Khamenei's goal. The second was that although Iran was permitted a latent nuclear capability, the window for breakout was pushed from a few months to a year or nearly a year. These concessions on Iran's part were significant but did not alter in any dramatic way the country's security posture. The international community gained some reassurance, however imperfect, that Iran was at least not rushing to proliferate. By 2015, in any case, the opportunity costs and actual economic losses of US allies that acquiesced in the severe sanctions regime were significant enough to make the boycott difficult to keep in place much longer. Still, a changing political terrain in the neighborhood of Iran may revive the sense of crisis. The need for offshore balancing against Daesh will recede as it is deprived of territory and reduced again to a small terrorist organization. The white supremacist overtones of the Trump administration have revived a Nietzschean discourse of the dominant European caste subjecting the lesser peoples of the global South, recalling the philosopher's defense of the empire's "need for conquest, its craving for power". Whether Washington's stand-down from an active war footing with Iran, at which Obama was obviously aiming, will survive long in a Trump administration remains to be seen.