

THE UNITED STATES AND IRAN NUCLEAR DEAL

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INTRODUCTION

In July 2015, the foreign ministers of China, France, Germany, Russia, the United Kingdom, and the United States (EU+3/P5+1) met with the foreign minister of Iran in Vienna to negotiate the text of the Joint Comprehensive Plan of Action (JCPOA) or the Iran deal. This deal stands on the foundation of the Joint Plan of Action (JPOA), achieved in November 2013, and the framework for this JCPOA, announced in Lausanne on April 2, 2015.¹ On July 14, 2015, the foreign ministers signed the deal, which involves limitations on Iran's nuclear programme and lifting of some United Nations (UN) Security Council and other multilateral and national sanctions on Iran related to its nuclear programme. The JCPOA includes a main text and annexes on the sanctions, civil nuclear energy cooperation, a joint commission, and their implementation.²

The deal is the result of nearly two years of negotiations between Iran and the other nations. In 2002, a rebel group from within Iran had revealed that Iran was developing its nuclear programme in violation of the norms of the nuclear

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1. Council on Foreign Relations, "Joint Comprehensive Plan of Action on Iran's Nuclear Program", <http://www.cfr.org/iran/joint-comprehensive-plan-action-irans-nuclear-program/p36776>. Accessed on August 5, 2015.
2. The White House, "The Historical Deal That will Prevent Iran from Acquiring a Nuclear Weapon", <https://www.whitehouse.gov/issues/foreign-policy/iran-deal>. Accessed on August 5, 2015.

Investigations by the International Atomic Energy Agency (IAEA) revealed that Iran had failed to meet its obligations under the NPT. The revelations and the subsequent report of US intelligence confirming these developments alarmed the US and the international community.

Non-Proliferation Treaty (NPT). Iran, which has been a member of the NPT since 1968, has maintained that it was developing its nuclear capabilities for civilian use. Before 2002, there were concerns about Iran's nuclear programme, especially within the US. Investigations by the International Atomic Energy Agency (IAEA) revealed that Iran had failed to meet its obligations under the NPT. The revelations and the subsequent report of US intelligence confirming these developments alarmed the US and the international community. In order to avoid the sanctions, Iran began to negotiate with the P5+1 and agreed to temporarily suspend activities related to uranium

conversion and enrichment, to fully cooperate with the IAEA, and to sign the IAEA's Additional Protocol agreement that authorises more intrusive nuclear inspections. However, a report by the IAEA claimed that Iran was exploiting the ambiguities in the definition of "suspension" to keep producing centrifuge components and carry out small-scale conversion experiments.³ It had also been clandestinely developing a nuclear weapons programme much before 2002 and probably even a few years after that. Iran again decided to negotiate, to avoid sanctions and in 2004, it signed the "Paris Agreement" with the EU-3. Under the pact, Iran committed not only to continue its temporary suspension of uranium conversion and enrichment activities—now defined to include the manufacture, installation, testing, and operation of centrifuges—but also to negotiate in good faith with the EU-3 to pursue a diplomatic solution.⁴ In further development of this agreement, it was proposed that in lieu of Iran's commitment to not pursue uranium enrichment and other nuclear fuel-making technologies for at least 10 years, the EU-3 offered to provide assured supplies

3. Patrick Christy and Robert Zarate, "FPI Fact Sheet: Timeline on Diplomacy and Pressure on Iran's Nuclear Program", <http://www.foreignpolicyi.org/content/timeline-diplomacy-and-pressure-irans-nuclear-program>. Accessed on July 27, 2015.

4. Ibid.

of nuclear fuel, disposal arrangements for spent nuclear fuel, and cooperation on a variety of political and security issues in the region. However, the negotiations broke down after Iran refused the proposal.⁵

In order to salvage the diplomatic process, the P5+1 agreed to assist Iran develop a light water reactor for the development of its civil nuclear programme. Iran has claimed that it has been falsely accused by the international community of developing nuclear weapons whereas its nuclear programme was for civilian use only. After Iran rejected the second proposal by the P5+1, the UN, with the support of the international community,

imposed sanctions on Iran. In 2006, the UN passed two resolutions on sanctions on Iran and in 2007, it passed a third such resolution after Iran failed to comply with demands from the international community. By the end of 2008, it had passed two more resolutions on sanctions. These sanctions that banned transfers of nuclear and missile technologies to Iran, and froze the foreign assets of named individuals and entities tied to Iran's controversial nuclear programme, banned Iranian arms exports and expanded the list of sanctioned Iranian individuals and entities, tightened restrictions on Iran's nuclear activities, increased vigilance against Iranian financial transactions, and authorised states to inspect Iranian cargo to prevent transfers of nuclear and other technologies, while urging for an end to Iran's nuclear intransigence.⁶ By the end of 2012, Iran was facing sanctions from the international community on all economic activity, international trade and investment, and its assets were frozen.

The P5+1 and Iran once again decided to negotiate an agreement. These negotiations culminated in the July 2015 deal.

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5. Ibid.

6. Ibid.

AN OVERVIEW OF THE NUCLEAR DEAL

- Iran has agreed to transform its deeply buried plant at Fordo into a centre for scientific research. Another uranium plant, Natanz, is to be cut back rather than shut down. Some 5,000 centrifuges for enriching uranium will remain spinning there, about half the current number. Iran has also agreed to limit enrichment to 3.7 percent, significantly below the enrichment level needed to create a bomb, and to cap its stockpile of low-enriched uranium at 300 kg, or 660 pounds, for 15 years, a reduction of 98 percent.⁷
- Iran has agreed to redesign and rebuild the Arak reactor so it will not produce weapons-grade plutonium. The original core of the reactor, which would enable the production of weapons-grade plutonium, will be made inoperable, but will stay in the country. Under the terms of the deal, the reactor's spent fuel, which could also be used to produce a bomb, will be shipped out of the country. Iran will not build any additional heavy water reactors for 15 years.⁸
- Under the new nuclear deal, Iran has committed to extraordinary and robust monitoring, verification, and inspection. International inspectors from the IAEA will not only be continuously monitoring every element of Iran's declared nuclear programme, but will also be verifying that no fissile material is being covertly carted off to a secret location to build a bomb.⁹
- Iran has agreed to implement the Additional Protocol to the IAEA Safeguards Agreement, which will allow inspectors to access and inspect any site they deem suspicious.¹⁰
- This deal removes the key elements needed to create a bomb and prolongs Iran's breakout time from 2-3 months to one year or more, if Iran were to break its commitments. Importantly, Iran won't get any new sanctions relief until the IAEA confirms that it has fulfilled its obligations under

7. The White House, "The Historic Deal that Will Prevent Iran from Acquiring a Nuclear Weapon", <https://www.whitehouse.gov/issues/foreign-policy/iran-deal>; and William J. Broad and Sergio Peçanha, "The Iran Nuclear Deal- A Simple Guide", *The New York Times*, July 14, 2015.

8. Ibid.

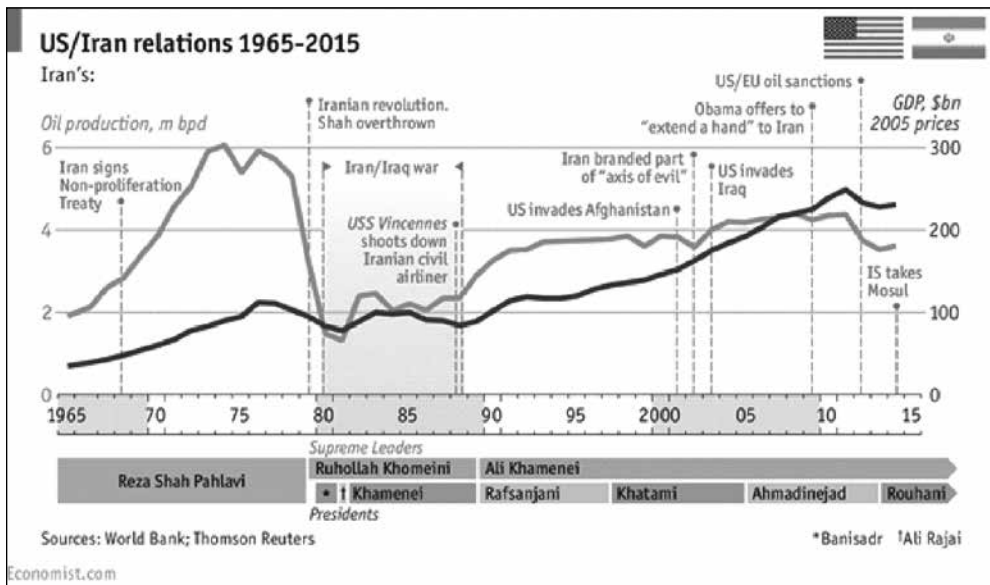
9. Ibid.

10. Ibid.

the deal. And should Iran violate any aspect of this deal, the UN, US, and EU can 'snap'/re-impose sanctions.¹¹

THE US AND IRAN SANCTIONS

Fig 1: US-Iran Relations, 1965-2015¹²



The US and Iran have an acrimonious relationship with each other. The US sanctions on Iran, however, predate these nuclear non-proliferation concerns. The US first imposed economic and political sanctions against Iran during the 1979–81 hostage crisis, shortly after Iran's Islamic Revolution. Thereafter, the US has imposed additional sanctions for Iran's support to Hezbollah, and its human rights abuse, etc. The most recent statute, the Iran Threat Reduction and Syria Human Rights Act (ITRSHRA), added new measures and procedures to the 1996 Iran Sanctions Act (ISA). The ISA authorises sanctions on businesses or individuals engaging in certain

11. Ibid.

12. "Iran Nuclear Deal", *The Economist*, <http://www.economist.com/blogs/graphicdetail/2015/07/daily-chart-iran-graphics>. Accessed on July 27, 2015.

commercial transactions in Iran.¹³ It has to be kept in mind that these sanctions are separate from the sanctions imposed by the UN due to Iran's nuclear programme. Sanctions applied by the US, related to sponsorship of terrorism and human rights abuses are not affected by the nuclear deal.

In the years before the revolution, there were concerns in the US that Shah Mohammad Reza Pahlavi's policies were intended to develop a nuclear weapons programme for Iran. To allay these fears, Iran signed the NPT and in 1974, also joined the IAEA Safeguards Agreement, a supplement to the NPT in which it consented to inspections. The Iran-Iraq War once again highlighted concerns that Iran may develop a nuclear weapon as Iraq had a nuclear programme. These suspicions continued into the mid-1990s, when President Bill Clinton's Administration levied sanctions on foreign firms believed to be enabling a nuclear arms programme in Iran.¹⁴ President G. W. Bush further signed Executive Order (EO) 13382, which blocked the property of weapons of mass destruction proliferators and their supporters. The Atomic Energy Organisation of Iran was one of eight entities listed in the annex of the EO.¹⁵ Since then, the US has been at the forefront of international efforts to isolate Tehran and pressurise it to negotiate.

US sanctions have been applied with a view to isolating Iran from the international financial markets. The US has also tried to ensure that Iran is unable to generate revenue through the sale of its energy resources. An embargo on energy exports from Iran was imposed without any exception from 2012, which has resulted in loss of revenue for the Iranian government, impacting other sectors of its economy. There have been sanctions on weapons development cooperation, and the assets of Iranian individuals and institutions have been frozen in the US.

One of the main demands of Iran through the negotiation process has been for the removal of sanctions imposed on the country. The UN has endorsed the deal and this has cleared the path for the UN imposed sanctions

13. US Department of State, "Iran Sanctions", <http://www.state.gov/e/eb/tfs/spi/iran/index.htm>. Accessed on July 26, 2015.

14. Zachary Laub, "Sanctions on Iran", <http://www.cfr.org/iran/international-sanctions-iran/p20258>. Accessed on July 27, 2015.

15. Christy and Zarate, n.3.

to be removed from Iran. Iran will regain access to international energy markets and the global financial system once the IAEA verifies that it has granted IAEA inspectors sufficient access to its nuclear facilities and taken agreed-upon steps to restrict its nuclear programme. The comprehensive agreement directs the P5+1 to prepare the legal and administrative groundwork for rescinding or suspending the nuclear-related sanctions prior to Implementation Day. On Implementation Day, the UN Security Council will pass a resolution that will nullify the previous resolutions on the Iranian nuclear issue.¹⁶

According to the US Department of Treasury, “US sanctions relief will be provided through the suspension and eventual termination of nuclear-related secondary sanctions, beginning once the IAEA verifies that Iran has implemented key nuclear-related measures described in the JCPOA (“Implementation Day”). The US government will publish detailed guidance related to the JCPOA prior to Implementation Day. The P5+1 and Iran also decided on July 14, 2015, to further extend through Implementation Day the sanctions relief provided for in the Joint Plan of Action (JPOA) of November 24, 2013, as extended. This JPOA sanctioned relief is the only Iran-related sanctions relief in effect until further notice.”¹⁷

However, as was pointed out earlier, the US has imposed bilateral sanctions on Iran.

In May 2015, President Obama signed into law provisions for a Congressional review that places restrictions on his prerogative to waive sanctions. Under this law, the House and Senate Foreign Relations Committees have sixty days to review the agreement, during which time the president cannot suspend the sanctions regime. If the deal is endorsed by the US Congress, then the White House, in consultation with the legislature, can suspend sanctions on Iran.¹⁸

16. Council for Foreign Relations, CRF Backgrounder, “International Sanctions on Iran”, <http://www.cfr.org/international-sanctions-iran/p20258>. Accessed on August 7, 2015.

17. US Department of Treasury, “Iran Sanctions”, <http://www.treasury.gov/resource-center/sanctions/Programs/pages/iran.aspx>. Accessed on July 27, 2015. An overview of the US Department of Treasury sanctions on Iran can be accessed at <http://www.treasury.gov/resource-center/sanctions/Programs/Documents/iran.pdf> and by US Department of State at <http://www.state.gov/documents/organization/212555.pdf>

18. Laub, n.14.

Critics of the deal point out that the deal has failed to meet the basic requirement of the negotiations, which was ending Iran's nuclear programme. However, proponents point out that Iran has agreed to dismantle much of its nuclear infrastructure and submit to rigorous controls and inspections to which the US and other world powers agree.

The members of the Republican Party, who are in a majority in both the Senate and the House of Representatives, and a few members of the president's Democratic Party have voiced their opinion in opposition to the deal. Speaking to the press, House Speaker John A. Boehner (R-Ohio) stated, "The interim deal has been, and will continue to be, met with healthy scepticism and hard questions. Iran has a history of obfuscation that demands verification of its activities and places the burden on the regime to prove it is upholding its obligations in good faith while a final deal is pursued."¹⁹

They claim that President Obama and his Administration, in their haste to conclude the negotiations with Iran, have agreed to a deal that is advantageous to Iran, in that it allows the removal of economic sanctions. They maintain that it was due to the effects of the sanctions that Iran had been forced to come to the negotiating table. They also point out that the deal does not guarantee that Iran will not be able to develop nuclear weapons, a vital need for US national security.

Critics of the deal point out that the deal has failed to meet the basic requirement of the negotiations, which was ending Iran's nuclear programme. However, proponents point out that Iran has agreed to dismantle much of its nuclear infrastructure and submit to rigorous controls and inspections to which the US and other world powers agree.²⁰ These measures significantly diminish the prospects of Iran acquiring a nuclear weapon. They point out that if Congress disapproves the deal and the interim agreement that preceded it,

19. Ed O'Keefe, "Congress Members React to the Iran Nuclear Deal", <http://www.washingtonpost.com/blogs/post-politics/wp/2013/11/23/congressional-reaction-to-the-iran-nuclear-deal>. Accessed on January 21, 2014.

20. "Republicans Fume Over Iran Nuclear Deal But Hope of Undermining Accord is Slim", *The Guardian*, <http://www.theguardian.com/world/2015/jul/14/republicans-iran-nuclear-deal-reaction>. Accessed on August 5, 2015.

then Iran has no obligation to allow inspection of its nuclear sites and there would be few restraints on its nuclear programme. This increases the chances of Iran developing nuclear weapons. The deal allows for a robust verification process that will permit Iran to develop its nuclear programme for peaceful purposes only. It has put in place mechanisms that ensure that Iran is restricted in developing its nuclear programme.²¹ Any violation calls for immediate implementation of sanctions.

In the event that the US Congress does not endorse the deal, it is expected that President Obama would use his executive powers to veto the Congressional disapproval. The US Congress would then require a two-thirds majority to overturn the veto.

With the imminent withdrawal of the US from Afghanistan, there is concern about the rise of radical forces in the country. While the Afghanistan government, with the help of Pakistan, is trying to negotiate with the Taliban in the country, there are growing concerns about the presence of the Islamic State of Iraq and Syria (ISIS) in the region.

THE US' NEED FOR THE DEAL

The political scene in the Middle East is becoming increasingly complex; disagreements have started to come to the surface, redrawing the map of alliances and conflicts among regional players and global powers. Warmth and enthusiasm was lacking during the recent visit by US Secretary of State John Kerry to the Middle East due to the US' stand on some issues, especially Iran. This posits a question on whether these growing disappointments, which sometimes are accompanied by independent actions, indicate that the US is losing its influence in the Middle East.²²

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21. The Centre for Arms Control and Non-Proliferation, "The Real Facts on the Iran-Nuclear Deal", <http://armscontrolcenter.org/the-real-facts-on-the-iran-nuclear-negotiations/>. Accessed on August 5, 2015.

22. Ahmed Ezz Eldin, "Did America Lose Control of the Middle East?", http://www.yourmiddleeast.com/columns/article/did-america-lose-control-of-the-middle-east_19421. Accessed on January 30, 2014.

government, with the help of Pakistan, is trying to negotiate with the Taliban in the country, there are growing concerns about the presence of the Islamic State of Iraq and Syria (ISIS) in the region. With the announcement of the death of Mullah Omar, the leader of the Afghan Taliban faction, there has been infighting within the organisation's factions for the leadership role. This has led to a breakdown of the talks with the Afghan government. The US and Iran both are apprehensive about the increasing influence of the ISIS in the region. As a bordering nation, Iran will have more at stake if the terror group establishes its power base in Afghanistan. With the sanctions lifted, Iran could be engaged by the international community to take active part in the rebuilding process of Afghanistan.

US the faces a similar paradox in the Middle East. In Iraq, sectarian violence has been on the rise and the ISIS is able to build its influence base in some parts of the country. Yemen and Syria are in the throes of a violent civil war which has displaced hundreds and thousands of people. The rise of the ISIS and its growing influence, along with its territorial gains has added to the violence being witnessed in the region. While the US allies in the Middle East have called upon the US to intervene, the US Congress is unlikely to commit troops once again into the region, with the American public wary of any such action.

In such a situation, Iran, with its influence, could help the US stabilise Iraq. The Iranian government is also a key ally of President Bashar Al-Assad. While the US asked the UN to drop its invitation to Iran to join in the peace talks, the White House is aware that the key to the resolution of the Syrian civil war is support from Tehran.²³

One advantage that the US foresees from this deal is the possibility of influencing the debate on non-proliferation in the region. The Gulf Cooperation Council (GCC) states have expressed interest in developing civil nuclear programmes, with Oman and Saudi Arabia at the forefront of this endeavour. The deal could be used as an example to persuade nations to adhere to the provisions of the NPT and IAEA protocols. It would also

23. Stuti Banerjee, "US-Iran: The Nuclear Talks", <http://www.icwa.in/pdfs/IBusiran.pdf>. Accessed on August 5, 2015.

help the US in preventing the spread of weapons of mass destruction and strengthening the prohibitions against their development.

Iran also provides the US with an alternate power in the region, apart from Saudi Arabia. While it would be presumptuous to say that the US is building relations to counter Saudi Arabia, its long standing ally, it can be said with some certainty that the US is exploring ways to expand its reach apart from the Saudi influence.²⁴

The US is decreasing its energy imports from the Middle East, and many experts point to this waning interest as the reason for the US' disengagement from the region. However, the US' allies are dependent on oil from the region and one of its most prominent allies, Israel, is part of the region. With its commitment to security, its need to counter terrorism and promote nuclear non-proliferation and nuclear disarmament, the US will continue to have interests in the region, through it is speculated that it could rethink and realign its interests. It is in the US interest to have a stable peaceful Middle East and it is realising that Iran would be helpful in achieving this goal.

IRAN'S NEED FOR THE DEAL

Foreign Minister Mohammad Javad Zarif, who headed the Iranian negotiating team, has formally submitted the deal to the Iranian Parliament. A 15-member special committee has been set-up to review the deal. Iran's Parliament will need "*at least*" 60 days to review the proposed final deal with the world powers over its contested nuclear programme, a process which is similar to that of the US Congress.²⁵ Nonetheless, unlike President Obama, who faces opposition to the deal, it is likely that the Iranian legislature will endorse the deal, which has the support of the Supreme Leader, Ayatollah Ali Khamenei. There are some hardliners in the Parliament who have voiced their opposition to the deal, but their numbers are, as yet, not

24. Ibid.

25. "Iran Lawmakers Said to Need 'at Least' 60 Days for Nuke Deal", *The New York Times*, http://www.nytimes.com/aponline/2015/07/21/world/middleeast/ap-ml-iran-nuclear.html?_r=2. Accessed on August 5, 2015.

significant enough to reject the deal.²⁶ However, the head of the powerful Iranian Revolutionary Guards (IRG), Mohammad Ali Jafari, has voiced his concerns on some of the provisions of the draft resolution on arms build up, etc. He has stated that the review process should examine the document for its legal merit before a final view can be announced.²⁷ As of now, it is unclear if his objections would change the provisions within the deal, given that he had expressed support for the framework agreement and the deal has the support of the Supreme Leader, who is also the commander-in-chief of the forces.

In what is being seen as an attempt to maintain a balance between the hardliners, who form the support base of the Ayatollah and are anti-US, and the more moderate and the public in Iran, who have been supportive of the efforts to end sanctions, the Ayatollah in his address at the end of *Ramadan*, stated that while he wanted Iranian officials to peruse the landmark agreement to ensure that national interests were preserved and to prevent the disruption of its political principles or military policies, Iran would not change its Middle East policy to support the US.²⁸

Public opinion in Iran is largely in favour of the nuclear deal. The deal removes the sanctions that have been imposed on Iran and this would allow an estimated US \$100 billion to enter the Iranian economy. The deal is being viewed as important for Iran and will create more jobs as companies will now be allowed to invest in the Iranian economy.

REACTIONS IN INDIA

The deal could open up strategic and economic opportunities for India, and, thus, has been welcomed by it. Expecting the deal to be a favourable one, India had been engaging with the Iranian political leadership since the beginning of the year. In February 2015, National Security Advisor Mr Ajit Doval visited Iran. The visit was followed by that of the Minister for

26. "Iran Parliament To Take 'At Least 60 Days' To Review Nuke Deal", <http://prophecynewsstand.blogspot.in/2015/07/iran-parliament-to-take-at-least-60.html>. Accessed on August 5, 2015.

27. "IRGC Commander Rejects Any Resolution Violating Iran's Redlines", <http://en.alalam.ir/news/1722203>. Accessed on July 21, 2015.

28. "Khamenei: Opposition to US Persists After Nuclear Deal", *Al Jazeera*, July 21, 2015, <http://www.aljazeera.com/news/2015/07/iran-nuclear-deal-150718051925210.html>.

Road Transport, Highways and Shipping, Mr Nitin Gadkari (May 2015), who signed a Memorandum of Understanding (MoU) with his Iranian counterpart for the development of Chabahar port. The port, situated in southeastern Iran, is seen by India as a gateway to both Afghanistan and Central Asia. Foreign Secretary Mr Jaishankar also travelled to Iran (June 2015). And Prime Minister Narendra Modi met with President Hassan Rouhani on the sidelines of the Shanghai Cooperation Organisation (SCO) summit in Ufa, Russia.²⁹

For India, the deal, coming at a time when the government is emphasising its “Look West” policy, will have an impact on its energy, economic and geo-strategic spheres.

As the world’s fourth largest energy consumer that imports more than three-quarters of its oil and an increasing amount of its natural gas, India will watch with interest the deal’s impact on the energy market. India will hope to benefit, both directly and indirectly, from the Iranian oil coming to the market in the short-to-medium terms. It might import more oil from Iran, partly to keep its supplier base diversified – but to what extent will depend on the terms. India will also hope that it will lead to a further reduction in global oil prices or, at the very least, those prices remaining steady.³⁰ A fall in crude prices will enable India, which meets 80 percent of its crude requirements via imports, to pare its energy bills.³¹ India can explore the possibility of engaging with Iran by way of an agreement that allows India to buy Iranian oil through favourable payment options. India may also explore the idea of bulk import of oil over a long period from Iran.

The other area of interest in the energy sector for India could be natural gas. India has not imported gas from Iran; nonetheless, it may want to explore the possibility of favourable terms based on India’s capacity to absorb this

29. Kabir Taneja, “India’s Missed Iran Opportunity”, <http://thediplomat.com/2015/05/indias-missed-iran-opportunity/>; and NDTV, “PM Narendra Modi Meets Iranian President Hassan Rouhani”, <http://www.ndtv.com/india-news/pm-narendra-modi-meets-iranian-president-hassan-rouhani-779668>. Accessed on August 5, 2015.

30. Tanvi Madan “India and the Iran Deal”, <http://www.brookings.edu/blogs/markaz/posts/2015/07/20-india-iran-nuclear-deal-madan>. Accessed on August 5, 2015.

31. Sanjay Kumar Singh, “Here’s How the Iran Nuclear Agreement Impacts India”, http://articles.economictimes.indiatimes.com/2015-07-20/news/64638662_1_crude-prices-crude-purchases-iran-nuclear-deal. Accessed on August 5, 2015.

India, while it looks at avenues to strengthen its relations with Iran, would also need to balance its relations with other countries of the region, such as Saudi Arabia and Israel.

source of energy. There is also speculation that talks on the Iran-Pakistan-India natural gas pipeline might be revived. While India would be keen to develop this idea, it will be a long-term project which would require investments and renewed negotiations.

Indian oil and gas companies, both public sector and privately owned, have been engaged in Iran, and they will now face competition as the sanctions are gradually lifted. Iran's energy sector needs better equipment, technology and investments, all of which were stopped as a result of the sanctions. India could investigate possibilities in this sector. Its oil companies can reexamine stalled projects and their viability and investments prospects. Indian companies could also seek to be part of consortia, bringing to the table their familiarity with doing business in Iran.

Beyond the energy sector, India hopes for greater exports. Some Indian companies, that have been increasingly looking abroad, see Iran as a potential market for goods and services.

The deal allows Iran to play an overt and active role in stabilising the region, especially Afghanistan. It is in the interest of both India and Iran that the Taliban and other such radical groups do not come to power in Afghanistan. While the extent of its role in the Afghan issue is not yet clear, India sees potential in developing Iran as a crucial transit point for its efforts in Afghanistan and also Central Asia, and in the future to Europe and Russia.

India, while it looks at avenues to strengthen its relations with Iran, would also need to balance its relations with other countries of the region, such as Saudi Arabia and Israel. While Israel has voiced its opposition to the deal, Saudi Arabia has not been supportive of it either. With both these nations, India's interests and connections in some areas are deeper than those with Iran. India needs to ensure that its association with Iran does not damage its relations with other countries in the region, especially in view of the close to seven million Indians working in the Middle East.

CONCLUSION

The deal, if and when implemented, would be advantageous to relations between India and the US. It would ease an irritant in the relationship. India's relationship with Iran, in view of the US sanctions, was not viewed positively by the US Congress. Indian companies with interests in Iran were in danger of being sanctioned by the US for their role in that country, limiting their engagement with US companies. The deal would help India and the US to remove this point of contention from their partnership. It would also help the two nations to cooperate with Iran in ensuring that Afghanistan does not revert to the Taliban. If it is endorsed and implemented by the US Congress, the US may be more open to engaging with Iran on Afghanistan, a scenario supported by India.

For the US, this deal allows it to rebuild its relations with Iran which were terminated after the Iranian revolution. It is also an opportunity for the US and Iran to overcome their past differences and suspicions of each other. The US applied sanctions on Iran after the revolution; however, it was unable to isolate the country within the international community or in the region. With the region facing turmoil, it is in the US' interest to engage Iran in persuading various groups to negotiate for peace. Iran continues to have considerable influence in the region and would be an important partner for the US as it builds policies to achieve peace in Syria, and between Israel and Palestine, and to defeat the ISIS.

Iran has consistently maintained that its nuclear programme was, and has always been, for civil use. It points to the religious edicts that state that nuclear weapons are '*haram*'. For Iran, the emphasis during the negotiations has been on the removal of economic sanctions and for conduct for business with its international partners.

The deal also brings recognition to Iran as a nation that can influence the politics of the region. The rivalry between Saudi Arabia and Iran for leadership of the Gulf region has led to the two countries trying to increase their power, by supporting various factions and groups in the crisis-prone region. Saudi Arabia has been wary of Iran's rise and has been cautious in expressing its support or disapproval of the nuclear deal. The Arab region

has long been an ally of the United States and post the signing of the deal, US Secretary of Defence Mr Ashton Carter, has undertaken a tour of the region to reassure US allies that the deal would not be damaging to their security.³²

With the deal, the international isolation that Iran was facing as a result of the US pressure, has lifted. Iran can now be invited to play a stabilising role in the region. The common threat to both US' and Iranian interests in the region comprises the radical/extremist groups such as the ISIS and Al Qaeda. The deal would allow the two countries to establish a tactical agreement to cooperate against these groups.³³ It is a possibility that the two countries may work together to bring stable governments in Afghanistan and Iraq. However, a strategic relationship emerging between the two nations is not a likely scenario.³⁴

To believe that Iran would give up its nuclear power programme is wishful thinking. Iran's right to develop a civil nuclear programme is recognised by the international community. Both the proponents and the opponents of the deal have to concentrate on ensuring that Iran does not acquire nuclear weapons. The current deal has been able to limit the progress of Iran's nuclear programme. It has also been able to bring about a verification regime that should ensure that Iran is not able to develop nuclear weapons technology clandestinely. However, this verification regime, which is the key to implementing this deal, has to be made robust and strong, and the parties need to hold Iran accountable to it.

It is premature to judge the deal as a success in achieving support for nuclear non-proliferation or to label it a failure in stopping Iran from acquiring a nuclear weapon. The deal would need to be studied in the years to come and reviewed for its ability to achieve the ends as envisaged by both parties to the negotiations.

32. Stuti Banerjee, "The Iran Deal: Looking Beyond The 'Nuclear'", http://capsindia.org/files/documents/CAPS_Infocus_SB_1.pdf. Accessed on August 5, 2015.

33. Kathy Gilsinan, "Theory of U.S.-Iran Relations", *The Atlantic*, July 2, 2015, <http://www.theatlantic.com/international/archive/2015/07/iran-nuclear-deal-isis/397604/>. Accessed on July 23, 2014.

34. Banerjee, n.32.