



Oral evidence: [UK policy towards Iran](#), HC 904

Tuesday 28 January 2014

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Members present: Sir Richard Ottaway (Chair); Mr John Baron; Sir Menzies Campbell; Mike Gapes; Mark Hendrick; Mr Frank Roy; Sir John Stanley; Rory Stewart

Questions 80-144

Witnesses: **Rt. Hon. Jack Straw MP, Mr Ben Wallace MP, Jeremy Corbyn MP and Lord Lamont**, Co-Chairman and members, All-Party Parliamentary Group on Iran, gave evidence.

Q80 Chair: I welcome members of the public to this sitting of the Select Committee on Foreign Affairs, which is our second oral evidence session of the Committee's short inquiry into UK policy towards Iran. We have been fortunate because an all-party group has recently been to Iran and the members have agreed to come and speak to us today. Mr Straw, are you officially the leader of the group.

Mr Straw: The unofficial leader.

Q81 Chair: The unofficial leader of the group is former Foreign Secretary, Jack Straw. The other members are Mr Ben Wallace of the Conservative party, the right hon. Lord Lamont, former Chancellor of the Exchequer and a member of the Conservative party, and Mr Corbyn, Labour Member of Parliament. Gentlemen, I welcome you all. We are grateful to you for giving up your time to come and see us.

Mr Straw: Thank you for the invitation, Mr Chairman. Mr Wallace and I are co-chairmen of the all-party group on Iran. Ecumenical we may be in other respects, but we had a happy and comradely trip to Iran.

Q82 Chair: I am pleased to hear it. May I start with a general question? I will leave it to you to decide who answers it. I should add that this is a first for this Committee in the Parliament. We have not previously invited colleagues to give evidence on the record. Could you start by telling us what you hoped to achieve with the visit?

Mr Straw: I will ask my colleagues to come in on this. What I hoped to achieve was a loosening of relations, or a warming up of relations with Iran after a period when they had been in cold storage. As colleagues will know, I have taken a long-standing interest in Iran going back to the first few months when I was Foreign Secretary, and I visited it five times when I was Foreign Secretary. I did my best, with my colleagues, initially Dominique de Villepin and Joschka Fischer, to achieve agreement with the Iranians on the nuclear dossier. We got quite close to it, but were frustrated in what we could achieve because of resistance by essentially the neocons in the Bush Administration. I kept warning them that that would lead to a situation where the Khatami Administration were undermined to the point where

they would lose office, and indeed that happened, and they begat the Ahmadinejad regime for eight years.

With the election of President Rouhani in June last year, and his assumption of office in early August, we all thought that there was an opportunity. There were quite long negotiations about going to Tehran, but they came off and we went there in early January.

Lord Lamont: May I first draw attention to my entry in the Register of Members' Financial Interests? I am the unpaid chairman of the British Chamber of Commerce and I have been involved with a company that has had an interest in Iran, although it does not do any trading with it.

I do not think I have much to add to what Mr Straw has said. I saw it as a natural follow-on to the fact that the Geneva negotiations had begun and the fact that Britain is exploring better relations and reopening the embassy. It seemed natural. I have had an interest in Iran for a decade or so.

Mr Wallace: I was the last British MP to visit in 2008, and I wanted to go and see what had changed, and I think there were four things. I wanted to know whether there was a real attempt, behind the words, to resolve the issues with the 5+1 and the greater issues. I wanted to get a sense of how strong the President was in his own position to be able to deliver, because it is not just about whether they can make a deal, but whether a deal can be delivered. I wanted to see whether there was any opposition, because it is quite a pluralistic society. Finally, we went to look at the embassy to see whether there was a pressing need for the reopening of diplomatic ties at a practical level as well as at a policy level.

Jeremy Corbyn: It was an extremely interesting visit. My view was that it was important to engage with Iran, to hope that there will be a reopening of full diplomatic relations with Iran and hope that nuclear talks will succeed to a good conclusion within six months and that the sanctions will ultimately be lifted. I also wanted the opportunity to engage with Iran because of the great deal of history between this country and Iran, most of it not very good, but also to raise issues of human rights and the diaspora—there are a very large number of Iranian people living in Britain. Although it was a short visit, we were able to engage to a considerable extent mainly with the political classes in Tehran. However, I think we have helped to open the way for future visits and future delegations, and hopefully an inward delegation from Iran to this country, so that we build a constructive dialogue that can engage with all of those issues.

Q83 Chair: Lord Lamont, can you clarify one thing? You declared your interest as Chairman of the British Chambers of Commerce, but did you mean the British-Iranian Chamber of Commerce?

Lord Lamont: Sorry, I meant the British-Iranian Chamber of Commerce. It is in the register of interests.

Q84 Chair: Thank you. How were you organised? Who administered you? Were you denied any meetings? Did you see the people you wanted to see?

Mr Straw: The arrangements were made in very close collaboration with our own Foreign Office. The non-resident chargé, Ajay Sharma, and his staff were extremely helpful.

Indeed, we could not have made the trip without their assistance and ministerial backing from the Foreign Office. In turn, the day-to-day traffic in e-mails was with the Iranian non-resident chargé, Mr Habibollahzadeh. That is how we were organised. There is no functioning embassy. There are still a lot of—I think 58—locally engaged staff employed by the British Foreign Office to maintain the compounds and provide some other staffing. We were put up in a very large, comfortable hotel in the centre of Tehran, but we were not denied any access or meetings that we sought.

Q85 Chair: Who paid for it?

Mr Straw: This is all in the register. The IPU here—the UK branch—sponsored and paid for £5,000 of the flights, the cost which collectively was about £6,600. The remainder, which was about £400 per person, was paid by a donor, declared via Lord Lamont. The costs in Tehran were paid by the Majlis—the Iranian Parliament.

Q86 Sir Menzies Campbell: May I ask you a question about the perceptions of your visit? A visit of this kind, particularly when it attracts such publicity, as it inevitably would because of the history, often has an effect on perception. One organisation described your visit as a disgraceful act of appeasement. Is that a perception that you have seen or heard more widely expressed?

Mr Straw: That one organisation was the National Council of Resistance of Iran, which, as Mandy Rice-Davies famously opined, would say that, wouldn't they? Let us be clear about the NCRI: they are a front organisation for the People's Mojahedin of Iran—the MEK—which I, as Home Secretary, banned at the request of the British Foreign Office as a terrorist organisation in the first list of proscribed organisations. That was lifted, as a result of legal action by the MEK, in 2009 across the EU, but I think there is overwhelming evidence that the decision I took was justified. Across the piece in Iran, you will find people spitting tacks about the MEK, because of the numbers of people who were killed by MEK terrorism and the fact that it joined with the Iraqis in the Iran-Iraq war and unquestionably it was Iran that was the victim of that military action.

As for other reaction, I can give you an English language summary of the coverage in Iran—

Sir Menzies Campbell: I was going to come on to that.

Mr Straw: The visit got a lot of attention in Iran. Understandably, it did not get a huge amount of attention outside Iran, not least because nothing, thankfully, went wrong with the organisation of the trip, but there was a lot of interest in Iran and a very large press conference towards the end of our trip.

Q87 Sir Menzies Campbell: Was there any more adverse reaction from within the United Kingdom?

Mr Wallace: Not from within the United Kingdom, but Iran has quite a strong separation of powers and the Majlis, which was a proactive thorn in the side of President Ahmadinejad, is more on the conservative wing against—not against, but off—Rouhani and much more sceptical, so we were to some extent in play, as perhaps the Americans would say. We represented a rapprochement, but there were some people opposed within the Majlis,

and throughout the visit that came to the fore. Although they have an agreed national position of rapprochement, beneath the surface there are many Members of the Parliament—not necessarily the friendship group that hosted us, but I think the Speaker of the Parliament was conspicuous by his absence during our visit and his lieutenants were much more hard-line towards us. We represented a foreign policy initiative of the President that opponents of his might like to have seen slightly derailed. There was an element of that.

Q88 Sir Menzies Campbell: And they took any opportunity to make that clear, either expressly or by implication.

Mr Wallace: Yes, we had a press conference that grew from an initial small interview to a conference with, I think, 60 or 70 journalists for an hour and a bit. It was a bit like being ushered in; we were asked to go for a press conference and turned the corner, and there was a huge barrage of all the journalists. But mainly the questions came from the state media. Some of them were sort of fanciful questions: we were supposed to accept the premise to begin with and not many of them were acceptable.

Q89 Sir Menzies Campbell: Was there much opportunity, if any, to engage with the general public?

Lord Lamont: None, other than waiters wanting Jack Straw's autograph or to be photographed with him—people in the hotel. We were in wall-to-wall meetings all the time. The Iranians had originally wanted us to go on the Thursday night and the Friday to Isfahan, from Tehran, and we said we would prefer to have more meetings, so meetings were arranged. For example, we had one with victims of terrorism in Iran, which is quite an issue for people in Iran, because they have suffered from terrorism themselves. That was held in the Majlis. That was how we spent the Friday. We did not want to go on tourism trips; we just wanted to meet as many different organisations as possible.

Jeremy Corbyn: The visit was short. Frankly, I wish it could have been longer, but it wasn't and I do think there is a strong case for a full IPU delegation going that would have more time and more interaction with a wider variety of people. I accept the limitations of it. Yes, the visit was condemned by the NCRI. My constituency and colleagues' constituencies include considerable Iranian diasporas. I do not think everybody agreed with the visit, but quite a lot of people said to me they thought it was a positive move and a good thing to do at least to raise those issues and try to have some engagement and interaction with Iran.

We did visit the Peace museum. One should just remember that the Iran-Iraq war, in which Britain strongly supported Iraq, resulted in a very large number of people dying because of chemical weapons, and indeed we met some of the survivors of mustard gas attacks during a quite lengthy visit to that museum. I do not know who all the people were; I do not know whom they represented, but they were clearly people who were suffering.

Q90 Mike Gapes: How were you treated by the media? You have alluded to the media? I led the Foreign Affairs Committee group to Iran in 2007 and I was door-stepped at every meeting by Press TV. Press TV actually came into the meetings and filmed all our discussions. It was as though we were on show. I would be interested to hear whether that was the reaction and how you were dealt with?

Mr Straw: No. In my judgment it was less intrusive, certainly, than the media attention I had as Foreign Minister, either there or in plenty of other places. Typically, we would be filmed going into meetings, but then—

Lord Lamont: They just arrived at the beginning of the meeting, then they left the room and we were in private.

Q91 Mike Gapes: On your remarks, when you actually spoke to the press, as far as you know, were your statements—if, for example, you were asked about the nuclear weapons issue and you said, “Iran has a right to peaceful nuclear power, but as a signatory of the non-proliferation treaty does not have the right to have nuclear weapons”, was the second half of the sentence omitted from the press coverage? That was certainly my experience in 2007.

Lord Lamont: I would say that the remarks were not terribly accurately reported. I read, to my astonishment, on the internet that I had announced, in the margins of a meeting, that Mr Zanganeh, the Oil Minister, would be visiting the UK. The first I had heard of it was when I read it. I also read that I had said that all sanctions should be dropped, which I never said and do not think.

The press conference—you did not quite get the flavour of it. It was all state media, but the questions were a bit outré, to put it mildly. They were all, “Sir John Sawyers has admitted that MI6 are assassinating people in Iran”—that sort of question. It was not a very rewarding press conference.

Q92 Rory Stewart: This is a question initially for Mr Wallace and then for anybody else. To what extent do you think the Foreign Office has a good understanding of the situation in Iran? We have the linguistic expertise, the area expertise, the direct contact with the Iranian population. How good is our policy analysis?

Mr Wallace: I think it is intermittent and I think what has been sad over the years is that I meet a number of diplomats who I ask, “Have you ever been to Iran?” and they answer, “Well, no, I haven’t.” We have not gone as bad as the Americans had, where they have not had diplomats in Iran for years. But sometimes the Foreign Office Iran desk was manned by people who spent lots of time in Iran and were incredibly up on it and educated and sometimes it was not. So it has been intermittent.

Maybe it goes to a bigger question that is more for this Committee than me, about the extent to which we formulate our policy wider than single issues. So if it is very focused on the nuclear issue, Iran has experience of single issues being solved and then the State Department or the Foreign Office moving on as if it was on to another issue, as if it did not matter. Iranian assistance to Britain and America in the Afghanistan war was rewarded by saying, “You are part of the axis for evil”. So the Iranians sort of say, “Hang on, we tried to take measures to build steps and then the Foreign Office has just moved on to something else.” I wonder if it is a wider issue.

I would say that, if you have been a diplomat in Iran, it is easy to get some element of bunker mentality, because the Iranian Governments of the past have indulged in intimidation and making life harder for the official diaspora of all the diplomats, not just British. It is easy to get into the “them and us” scenario. Does that therefore lead to lack of trust? Yes, it clearly does. And, secondly, does it sometimes close down giving people the benefit of the doubt or

thinking a new angle? That has been some of the problem in the past. We had a meeting with William Hague after we went and I think the Foreign Secretary is keen to give it a new go, as is the State Department.

Lord Lamont: I think it is a difficult question to answer, because obviously the Foreign Office has one resource that we do not have—Jack had it in his time—which is access to intelligence about Iran and what is happening in certain areas. Having said that, I think the Foreign Office is influenced, understandably, but perhaps we have to get over it, by the attack on the embassy. I can understand the hesitation. But that has put the iron into the soul of the Foreign Office.

I think our policy is very influenced by the United States. In my experience, the United States does not have a good understanding, and sometimes it has no understanding, of the light and dark, or the shade—it is not all black and white—of political currents in Iran. I remember an American diplomat once coming to the equivalent of this Committee in the House of Lords. He seemed almost pleased to say that he had never met an Iranian diplomat in his life.

Q93 Rory Stewart: This is perhaps a question for Jack Straw and Mr Corbyn. Are there constructive policy changes that we could introduce, institutionally, in order to make the Foreign Office better able to provide reliable and consistent strategic advice on Iran?

Mr Straw: I do not know that there will be structural changes. There is still a cadre of Farsi-speakers with experience in Tehran. As Mr Wallace has said, some have understandably been adversely affected by their experience in Tehran. By turns, pre-Khatami, at times during the Khatami period and certainly during the Ahmadinejad period, life was very difficult for our diplomats, not only UK-based diplomats but particularly that large proportion of people working for the British embassy in Tehran who were locally engaged. I would also like to say that there are people who had quite a difficult time in Tehran who none the less are advocates of restoring relations as quickly as possible.

May I could spend a moment on something? We looked at the embassy buildings in the main compound, Ferdowsi—we did not go to the residential compound at Qolhak. There are three sets of buildings. There is a visa office in one corner, separate from the others—separate access. It looks trashed, as if there has been a bad burglary, but not damaged by fire or anything. It would not take long to put that right. The residence itself is actually in quite good condition—there was very little evidence of people going through it, apart from slogans on the wall, written in English, which said, “Down with the English.” Since Lord Lamont and Mr Wallace had been ahead of me and were around the corner, I rather fancied that they had probably written the slogans and worked out the Farsi as well.

Lord Lamont: We are Anglo-Scottish.

Mr Straw: We are used to such abuse from our northern colleagues. The ground floor of the chancery building was used for consular stuff, and that was damaged by fire. We did not go upstairs, but it had been locked off. The demonstrators could not get up there, although they got up a staircase. It was not disturbed, because they could not gain access, but there is fire damage. My judgment, which I think is our judgment, although my colleagues can speak for themselves, is that physically these buildings can be put right pretty quickly. The issue is

whether there will be sufficient assurances about the safety and security of our embassy compounds and staff to allow a resumption of full diplomatic relations.

In the end, we simply have to trust the undertakings that are given. My own sense is that it will not get any easier the longer we leave it. There is a window of opportunity at the moment. We are already employing well over 50 locally engaged staff as it is. The Foreign Secretary has already taken the first steps with the agreement about these non-resident chargés. The quicker we start having UK-based staff there and build up to a chargé level, upgrading it to an embassy later on, the better. But I do not see what advantage there is—unless there are things I do not know—in waiting a year or two.

Jeremy Corbyn: We ought to take as many steps as we can to move beyond non-resident chargés to resuming proper diplomatic relations. What came up a lot was the impact of sanctions, partly on medical supplies, but also because there is a very large number of Iranian people living in Britain who want to relate to their families and travel and so on, and they find it extremely difficult to get visas and transfer money because of the banking sanctions. That is a big factor. Also, large numbers of people who have studied in Britain, the United States or western Europe want to be able to resume those relations, and we should think about the perverse effect of sanctions on Iran by the west as being to increase trade very rapidly with China and other countries, but not with the sort of engineering exports and so on that used to go from Britain to Iran. There are a lot of people in Iran who want to have perfectly normal relations with this country.

Q94 Rory Stewart: May I finish by trying to draw us back to the central question: is the Foreign Office's analysis of Iran correct? Is there a gap between an establishment wisdom in the Foreign Office and the reality on the ground?

Mr Wallace: To understand Iran, it is a very complex country with a very complex governance system—separation of powers, personalities. You have to understand Shi'ism, and the debate within Shi'ism has gone on for nearly 1,000 years. You have got to understand the geography of the region and you have to understand how it functions. It is so complex: you always need to be aware of what is going on. It is full of signals and messages and rival groups. You cannot lessen your expertise if you want to navigate your way through Iranian issues.

I do not blame the Foreign Office for the gaps. Because of the 5+1 structure, all Iran policy returned to the 5+1—if in doubt, go to the 5+1—and after Jack Straw stopped being Foreign Secretary, political initiative on Iran went into suspension. No one has had much leadership role in trying to thaw it out, and that has been about politics, not capability.

Lord Lamont: One thing the Foreign Office could do is interact more with the Iranian diaspora in this country, many of whom travel in and out of Iran and have connections with people there. They know better than other people in this country what is happening, and the Foreign Office do not use that resource enough.

Q95 Mr Roy: Since the storming of the embassy in November 2011, as we have just heard, the UK has had a fairly cautious approach to diplomatic relations with Iran. Is that the right approach, or should there be added momentum?

Mr Straw: My default setting is to say there should be added momentum, for the reasons that I have explained. In the end I defer to the judgment the Foreign Secretary has to make on this, because I am not in his seat any more, I do not have access to intelligence and I am not responsible—as I was once—for the safety and security of the staff. I think it should be regarded as a high priority by Ministers for reasons which Mr Wallace has spelt out—to grip it, to pursue it, to get ahead on the issue and maybe to get UK-based staff there, and then to arrange a ministerial visit quickly—one of which is trade relations.

Let us be clear that the aeroplanes from western Europe to Tehran are packed full of Italian, German, Scandinavian and French business people reviving their business links. Our trade with Iran was never anywhere near as great as that with Germany and Italy, but it has slumped since. I see no reason why since we are implementing similar sets of sanctions, we should be going out of our way, gratuitously and unnecessarily and harming the British economy, to make a completely hopeless point to the Iranians.

Q96 Mr Roy: Can I ask you to look back over the last 10 years and tell the Committee what type of relationships there were between Ministers in Iran and in the United Kingdom, and parliamentary relations? How would you sum up that 10-year period?

Mr Straw: Things got better when the late and much lamented Nicholas Browne was chargé. Relations got upgraded in the first Khatami period to full ambassador, which I think was in 1999.

I was the first Foreign Minister to visit. I went on my first visit in the shadow of 9/11 in late September 2001 and went there five times thereafter. Relations at a personal level were pretty good. I do not think there were parliamentary delegations going out there in parallel with my visits, but for a Foreign Minister to visit a country like Iran five times was giving it a lot of attention, and that was accepted. Of course—going back to Mr Stewart’s question—that meant that the whole of the Foreign Office was giving it attention too.

I was still in office when President Ahmadinejad was elected in June 2005, and then things became difficult because they were just in a different place. I maintained relations and met Ahmadinejad as well as his Foreign Minister. My view is that Iran is of crucial importance, not just to Iranians but to the security of the whole region, and we know why. It requires a lot of attention by British Foreign Ministers, but it is very high-maintenance—it just is—and you have got to work at the relationships.

Q97 Sir John Stanley: Could each of you give us your judgment about the present Government’s policy towards Iran? In particular, could you tell us where, in your view, the present Government have got aspects of their Iranian policy correct, if any, and what aspects do you think are incorrect, if any?

Lord Lamont: I applaud the decision to launch the Geneva process and the agreement that has been reached. I think it is a good agreement and I believe that a final agreement would be in the interests of the middle east, Israel and even Saudi Arabia, despite their criticism of it. I applaud the change that has come about in western policy.

Where do I think the policy might be wrong? Well, more on one or two details. For example, Jeremy mentioned the concession of sanctions relief for certain humanitarian goods such as medicines and, on the other hand, we have the banking boycott. This is completely

ineffective as you can have access to drugs but are denied the means to pay for them. There is a particular clause in the provisional agreement that says that each country should have a nominated bank to finance these humanitarian transactions and the British Government has not nominated such a bank. I think other countries are doing so: France, Germany et al.

I think that is a gap, but I think, broadly, embarking on this process is right—I am an enthusiastic supporter of that. Of course, I think it has to be subject to verification: transparency in the deal is of massive importance and everything is subject to proof. I believe in the sincerity of Rouhani—I think we will come on to this later—but Rouhani is one power centre. That was made clear when Ministers spoke to us: the elected President is one power centre. There is consensus among the different power centres that the negotiation should take place, but a final deal depends on a consensus of the different power holders as well.

Mr Wallace: I think what we have got right is that the Prime Minister made his phone call to President Rouhani and actually had a direct conversation with him soon after the Geneva talks got under way, and the appointment of the chargé d'affaires opens up the diplomatic beginnings of the process. I would recommend what we would have called in my Army days an unaccompanied tour. In other words, we should open up some aspects of the embassy functioning, but we should do so slowly but deliberately.

The Geneva accord—we are putting our weight behind it, supporting it and getting it through. If you wanted to derail that accord, you could have done so quite easily, because there were conditions that the Iranians would not have given in on that you could have insisted on. Nevertheless, the accord has achieved the outcomes without explicitly tying the Iranians to specific things that they might not get through the Majlis.

The wrong thing is—under both the last Government and this Government to some extent—on things like the fiscal sanctions that Lord Lamont mentioned, we have a memorandum of understanding between the Department for Transport and the Iranian Ministry of Transport that goes back a long way about aeroplanes and routes to and from Iran, but when their planes were landing at airports such as Heathrow, no one would fill them up with fuel. American unilateral sanctions would basically say to BP, Shell or anyone else, “You can fill up that Iranian aeroplane, but you do that and you will not be trading in America.” Such third-party or extraterritorial bullying meant that, for example, the all-party group’s bank account was cancelled by HSBC because it had the word “Iran” in it—for no other reason. The institutions run scared of a Congress that uses that sort of extra reach. We could have been stronger over the past 10 years in standing up to that or saying to the Americans, “Come on. You have to allow this to happen.”

I think we probably all agree on Syria that, collectively, the international community made a mistake in issuing an invite and then withdrawing it, and failing to recognise that Iran has a role politically—if what we want is a political settlement in Syria—in resolving the situation.

Jeremy Corbyn: The UK Government are right to develop relations with Iran; there is no question about that. If the talks on nuclear processing are successful and Iran is a member of the nuclear non-proliferation treaty, that would lead to the possibility of opening the Finnish conference on a nuclear weapons-free zone, or a weapons of mass destruction-free zone, in the Middle East. I also noticed—I made a particular note of this—that when we had

a very long meeting with the Foreign Minister he said quite specifically that in questions on human rights, he was prepared to engage in an EU-Iran human rights dialogue on the lifting of sanctions.

Those are issues that can be taken up, and there are issues of journalists' freedom and so on, but we do not gain any traction if we just join in the general right-wing position that some Americans have of complete isolation of Iran. I think there may be a problem down the line somewhere between the European direction of better relations with Iran, and the direction of some elements in the House and the Senate that want no relations with Iran at all and still seem to be stuck in a 2002 position on the axis of evil. There might be an interesting parting of the ways between the USA and western Europe somewhere down the line.

Q98 Mark Hendrick: On those bilateral relations, Mr Straw, you talked about **improving** trade and the fact that the Italians, the Germans and the Scandinavians are sending planeloads of people over there. Obviously, there is the possibility of a better understanding of regional security issues. What else do you think could be gained from improving bilateral relations?

Mr Straw: The most important thing that could be gained from an improvement in bilateral relations is further assistance to resolving the nuclear dossier. As Mr Wallace said, everything goes back, at the moment, to the P5 plus 1 negotiations. Sanctions have unquestionably been damaging to the Iranian economy. One of the Ministers we spoke to described them as crippling. Others suggested that about half of Iran's economic problems were attributable to heroic economic mismanagement by the Ahmadinejad regime, and the other half to sanctions. If we are a member of the P5, we have additional responsibilities beyond the fact that we are a medium-sized western country because we are member of the P5. It is therefore incumbent on us to make extra effort, even at some risk, to get diplomatic relations back, so we can develop better understanding and better communications.

I would just add this point. Part of the Iranian narrative about themselves and their history portrays the United Kingdom as a villain of the piece for at least a century and a half. As Mr Wallace has said, they have actually rather good reasons for thinking that for a long period. It will take time to break that down, but you will not break it down at all unless we have better relations. Obviously trade is one important form of relations. Cultural relations, thanks not least to the work of the British Museum and the National Museum of Iran, continued notwithstanding other difficulties during the Ahmadinejad regime.

There is tourism. It is an extraordinarily rich tourist destination. One of the Iranian newspapers proclaimed the fact that they were now in the top 20 worldwide tourist destinations. While we have been in a process of searching for isolation of Iran, the rest of the world goes on. Trade with China has increased 15-fold. The Indians, essentially, never really bothered about sanctions. Even parts of the US economy have managed, one way or another, to accommodate them. Coca-Cola is available widely in Iran. It is made lawfully by the licensee of Coca-Cola Inc. and Coca-Cola Inc. get the money.

I venture to suggest that if a British company had tried to maintain a licence for dispensing soft drinks in Iran, it would have been the subject of a most vicious attack by Congress and the Department of Justice. The feeling among many European business people of double standards by the United States—which we have also seen in other respects—

favouring American companies and disfavouring other western companies, is one for which I think there is some evidence.

Lord Lamont: It is important to remember that there are some parts of the regime that like the isolation and the trade boycotts. They make money out of it. The isolation also enables them to rekindle the spirit of after the revolution, the siege economy and the spirit of the Iran-Iraq war. They are very ingenious with their siege economy and import substitution. There is a part of the regime, a constituency, that does not want the opening up of Iran, whereas I believe that opening up Iran, particularly to better diplomatic relations, more trade, more investment and more contact with foreigners, will have a profound effect on Iranian society and politics.

Jeremy Corbyn: A lot of the people we met seemed very annoyed at the way they were constantly portrayed as a country that shouldn't be visited or have business done with it. They want relations and many of the people we met, albeit the political classes, certainly felt a great affinity with higher education particularly in this country and the USA. We should not forget that. There are an awful lot of people whose life experiences have actually been in universities outside Iran and they want to build those closer relations.

Mr Straw: There are more American PhDs in Rouhani's Cabinet than there are in President Obama's Cabinet. That is not apocryphal. It is accurate. One thing that the Committee may wish to look at is the UK Foreign Office travel advice for Iran. At the moment, and quite sensibly, in border areas with Afghanistan, Pakistan and Iraq, it says don't travel. It then says for the rest of the areas don't go unless it is essential, whereas I see no evidence at all that it is not safe for people to go. You wouldn't get consular assistance for sure, but that area is a relatively easy win for the British Foreign Office, to try to ease off on that advice.

Q99 Mark Hendrick: You all seem very fond of Iran. Mr Straw, I think you have mentioned nearly five times that you went to Iran five times as Foreign Secretary. You will probably have a fairly positive view of Mr Rouhani. Some would say that you have a starry-eyed view of him. Do his credentials as a reformer, or as some sort of moderate, stand when all of the candidates were vetted before the election and are seen as hard-liners?

Mr Straw: Mr Hendrick, it is unusual for me to be accused of being starry-eyed about anything. I am not starry-eyed, but I try to make realistic assessments. It says something for Dr Rouhani's instinct for survival in what has been a very tricky situation that he managed to get through the vetting of the Guardian Council. If you go back to Rafsanjani's candidacies, it is not the case that the Guardian Council automatically excludes anybody who is not a hard-liner? That is self-evidently not the case. Who knows why they came to that view? One suggestion is that the Supreme Leader and the gentleman running the Guardian Council, who has been there since the revolution—he has been there for 30 years—have judged that the hard-line agenda of the Ahmadinejads and the Mohammad Rahimis of this world had run out and was not working and that they needed to see whether the Iranian people supported an alternative. It is interesting that one of the people close to President Rouhani reminded us that, when Hassan Rouhani first declared himself to be a candidate, he had only 5% support in the opinion polls but that he came up on the rails—whoosh—because what he was saying chimed with people.

The other thing I would say is that Iran is not a single-person dictatorship and hasn't been since the revolution; it is also not remotely a western-style democracy. There is a big and tumultuous political space in which, to a degree that varies over time, a level of consent is achieved. If you read the US Library of Congress research paper on Iran, there is a striking point on the stability of Iran's institutions, particularly in comparison with the institutions of the countries that surround it.

Lord Lamont: Iranian elections have been described as unfree, undemocratic and unpredictable. The election was, as you say, between vetted candidates, but it was quite fierce and extremely competitive. As Mr Straw says, it looked as if people were not going to participate in the election and that there would be a very low turnout. At one point they were proposing not to have the televised debates, but they did have them. I have seen quite a few of those debates—I watched some of them at the time—and they were extremely vigorous. The candidates were quite rude to one another and had different views about the nuclear negotiations and relations with the west. What comes out of this is that although the overall political set-up in Iran is authoritarian and at times repressive, public opinion matters. Once in four years, public opinion expresses its view. You will notice that when Rouhani appears he always uses the phrase, "It wasn't me who brought about this change in atmosphere; it was public opinion."

Does Rouhani have the ability to deliver? I think it is a good thing that Rouhani is a man of the regime, rather than a complete outsider—if he had been a complete outsider, he probably wouldn't have been allowed to stand. The fact that he has held so many different offices and been at the centre of the regime in Iran gives him a greater capability to deliver. He does appear to be trusted by the supreme leader, Mr Khamenei, who has reluctantly allowed the negotiations to proceed, while simultaneously saying that he doesn't think they will succeed in the end.

Jeremy Corbyn: It is not a constitution that we would design around this table. Certainly, the idea of vetting candidates before they are nominated seems pretty strange to us, so it is quite difficult to understand some of the structures of the constitution. However, there are clearly balances within it, and there is also a kind of elected process—the Guardian Council. The Parliament also has considerable power to hold Ministers to account, suspend them from office, pass motions of censure and things such as that, so there is a functioning form of accountability. Whether that will lead to an opening up of civil society, with trade unions and everything else—one hopes it will. Certainly, since Rouhani became President there have been considerable changes in that area, but there is a long way to go.

Mr Wallace: I don't know, I have never met President Rouhani, but I think we are at a good place. The Geneva accord puts us in a place where we judge each other by our actions. I think that President Rouhani's statements since he was elected are certainly an amazing change from previous Presidents. Just saying those things in the past would have been controversial. To that extent, he has broken the mould by commenting on how women dress, freedom of the media, etc. What we have to see is whether there are actions behind that.

The Geneva accord is the best way for both sides to prove themselves. If this was one of the Iranian Committees, which are just as robust—they kept vetoing most of Ahmadinejad's Cabinet, so they are quite independent—they would be asking the same to him, which would be, "How can we trust the west? The west broke its word on this, this and

this.” That is why the accord is so important. It is about saying that we have a past, but we have got to talk about the future. We both agree to implement these things.

All the early reports show that since 20 January, Iran has started to deliver on its side. We need to ask ourselves why Britain and some of the other countries have not yet followed up on the nomination of bank accounts for humanitarian aid, for example, which is our obligation. However, that is the focus. To distract from the accord and delve into the personality of President Rouhani or anybody else will not help us to resolve the issue. The issue is in that bit of paper. In my judgment, it is the best way to proceed.

Q100 Mark Hendrick: Some might say that Mr Rouhani was responsible for playing for time in negotiations while secretly pressing ahead with a nuclear programme. That is something that I am sure if he was speaking to a Committee of this type in the Iranian Parliament he would say to them.

Mr Wallace: Some might have said that President Gorbachev was part of the Soviet apparatus and that we should never have done business with him because he was from the politburo. We did business with President Gorbachev, which led to the demise of the Soviet Union.

Q101 Mark Hendrick: Some might say that it led to the demise of Gorbachev.

Mr Wallace: It certainly led to the demise of the Soviet Union. What I would say is, let’s judge him on his actions.

Lord Lamont: One of the interesting things on that precise point is that in the Iranian election the accusation was made against Rouhani by the other candidates that he sold out in the nuclear negotiations. Some of the quotations about the increase in the number of centrifuges while he was the nuclear negotiator were actually his defence. They were used by Saudi Arabia and Israel against him, and they were actually his words defending himself during the election campaign.

Mr Straw: The fact that he felt obliged to do that makes a really important point about the choice before the United Kingdom and the West. We had a similar choice back in 2005, when the Iranians had fewer than 200 centrifuges. The opportunity was blown essentially by opposition from the neo-cons on the right of the US Administration, which prevented there being a deal. Although there were increasing sanctions against Iran at the time, roll forward nine years and Iran now has 18,800 working centrifuges. One can make debating points about where Dr Rouhani came from and one can make debating points about what he said during the election in his own defence, but the choice for this Committee and for the United Kingdom is whether we want to help reinforce the moves and the breeze of change which is beginning in Iran, or whether we want to push Iran backwards. We and the West have a very significant influence on what happens. We just have to be careful. We don’t have to look in the crystal ball or read it in the book, but we do have to be careful what we wish for, because if we make the wrong decisions, we will get the opposite of what we say we want.

Q102 Mr Baron: I think it is fair to say, and I hope you would agree, that one of the mistakes the West has made is understanding the complexity of the power structure in Tehran with its multiple centres of authority and often power struggles between them. The challenge for the West has been to try and nuance those, and we haven’t always appreciated that

challenge. Can you give us an insight into the relationship at present, as you saw it on your visit, between the Supreme Leader's office, the Majlis—the Iranian Parliament—the Revolutionary Guard, popular opinion, and President Rouhani himself? Can you offer us any insights into that, particularly with regard to future relations with the West?

Mr Straw: I don't pretend to any extra insights after the visits. As you know, Mr Baron, by the constitution, the Supreme Leader is the final arbiter, but he works in a highly political space. One of the interesting things about our visit to the presidential compound is that it is next door to where the Supreme Leader lives. We were told—Mr Wallace asked about this—that there is almost daily contact between the two. So it is not as though he is sitting above the battle in the way that the constitutional monarch is in the United Kingdom.

You have the Revolutionary Guards, and it is important to bear in mind that the Revolutionary Guards are also an economic force. You have these semi-state economic organisations which are around and about the Revolutionary Guards. Then you have the Parliament, as Mr Wallace has described. It is independent in its own way but is significantly controlled by the Council of Guardians. There is a very high turnover of MPs at each election, not least because the Council of Guardians decides whether sitting MPs can stand again. So they have always got to have—I mean, if you can imagine in the British system—an eye on whether you are going to be here after an election, and whether you get approved by a sort of people's committee, as it were. Then you've got the President and the business elite. I don't offer any view about exactly where the balance of forces is, except that I know that the more we can empower those who want rapprochement with the West, the more likely we are to get that.

Q103 Mr Baron: So you saw no insight of any difference of attitudes between the various institutions?

Mr Straw: Plenty, sure.

Q104 Mr Baron: Can you throw light on that?

Mr Straw: Talking to those in the Parliament who weren't terribly appreciative of our visit, we had a recitation of some of the sins of the United Kingdom, of which the list is long. Do you want to comment?

Lord Lamont: You asked us to comment on the relationship between these different centres of power. I would say that it is generally believed that Rouhani has a better relationship with the Supreme Leader than Khatami had, a similar reformist type figure. Well, perhaps Rouhani is not a reformer. He has occupied many different posts in the armed forces and in the National Security Council. He knows the regime inside out. The Majlis, as Mr Straw has said, is where there is a degree of hostility. Having said that, it approved his Cabinet more quickly than it approved that of Ahmadinejad.

One of the areas that is not within the control of the President is the intelligence services, which are of course a key element, although the President is allowed to nominate half the National Security Council, so half the National Security Council will have gone when he took over. The relationship of the Revolutionary Guards is to Mr Khamenei, the Supreme Leader. Incidentally, I do not want to down play them, but I think it is not necessarily right to think of the Revolutionary Guards as a uniform organisation with a

uniform view. In 2009, at the time of the Green revolution, there were allegedly arguments between the different commanders as to the correct way in which to respond. I sometimes think that when people cannot comprehend the Iranian set up, they just start talking about the Revolutionary Guards as some mysterious organisation.

Jeremy Corbyn: We got plenty of discussion about the history of Britain's relations with Iran, particularly from some Members of the Parliament, which was interesting. They talked a lot about the coup in 1952 and the role of BP and the Shah and so on. The way in which the Parliament, the President and the Supreme Leader are potentially a sort of triangle of disagreement, but also a series of checks on each other is interesting. That is something that is probably not fully understood outside. It is an understanding of how the Iranian political structure is that is pretty well lacking among the public outside Iran.

Q105 Mr Baron: May I move us on, if you do not mind, to the role of the US in defining the relationship, which has been touched on before? Before I do so—I have been handed a note—I must declare an interest in that I am a member of the all-party group on Iran, as you know, and I lived in Iran for a year before the revolution, back in 1978-79. Although you will not get a Foreign Minister to admit it publicly, mistakes have been made by the West in this relationship, but mistakes have been made by both sides. You alluded to them yourself, Mr Straw: Mosaddegh, supporting Iraq, axis of evil speeches and so forth. To what extent do you think the West has learned from those mistakes—as I say, mistakes have been made by Iran as well—and to what extent is that answer dependent on a change of attitude in the US? Are you encouraged by what you see so far?

Mr Straw: Sensible diplomats and those involved in foreign policy have to learn from history. There is no other way to do it. Among many in the US foreign policy system, there is a growing appreciation of the mistakes that have been made and an increasing sophistication of analysis about Iran. It is striking, if you read Condoleezza Rice's memoirs, that she repeats in public what she talked to me about in private: her lament—her words—that the State Department has a statement of foreign relations and when it lost its relationship with Iran when the siege began, it lost its foreign policy expertise. There is of course a big and vibrant Iranian diaspora in the United States.

What worries me, at the same time, is that there is an agenda by the right-wing in Israel, typified by Netanyahu and those to the right of him in the very fractious coalition he leads, and those in the United States, with the axis being the American Israel Public Affairs Committee. It suits them to demonise Iran. I think that for a long time there has been a pervasive vulgarity to part of the narrative of American foreign policy. It requires there to be a demon. For a long time, the obvious demon was the Soviet Union, and that suited everybody. That collapsed and we have moved on to other demons. They need a demon. It is not about foreign policy analysis; they have a psycho-political need. Iran is that demon.

The parody of Iran that comes across the Atlantic is extraordinary in my view. I am sure my colleagues would say this. When I started going to Iran, which seemed like a perfectly normal place to go to because I knew it, people thought I was going to the Moon or something. It was absolutely amazing. In fact Tehran feels like Madrid or Athens rather than Cairo or Mumbai. So the American system is very complicated. There are plenty of really sophisticated people with a good understanding and others who have no understanding and, bluntly, don't want one either.

Lord Lamont: I think both Saudi Arabia and Israel, and it is convenient for them, want to keep Iran as a country that is beyond the pale. They would face a challenge if there was any normalisation of relations and then there would be another power in the area with some influence on the West. What Iran really wants in its foreign policy is to have structures relating to the Middle East in which Iran is recognised and can play a role in regional affairs. After the end of the Iran-Iraq war there was a UN resolution—I forget the number—which advocated that a body should be set up in which all the different countries of the region would be represented under an independent chairman to discuss the issues of the region that were of mutual interest. I think that is very much what the Iranians want.

Mr Straw: 598.

Lord Lamont: Resolution 598.

Mr Wallace: There are so many vested interests around the region who want Iran to remain exactly as it is. We should be careful in the British Government that we not being pushed around or influenced by some of those vested interests for the wrong reasons. There are economic rivals; there are religious rivals; there are cultural rivals in that region whose enmity goes back a very long way. We should be clear about that. We should also recognise the role rhetoric plays in most Middle East politics. There are two interesting facts that have never occurred to people, despite the rhetoric. Number one: it was literally by a show of hands that the Iranians chose to invade the American embassy rather than the Russian embassy in 1980—whatever year it was. That is because Russia was historically even more of an enemy to Iran than the United States and so we could have been in a very different place if that show of hands had gone the other way. Secondly, despite the rhetoric of Ayatollah Khomeini in the '80s and the strong rhetoric that we should liberate Jerusalem and so on, Iran's closest ally in the early 1980s, the receiver of most of their weapons, was Israel. Israel armed Iran throughout the whole Iran-Iraq war. Israel has a very old relationship with Iran and understands them. In fact a former head of Mossad recently said how rational they are on these issues.

Chair: Mr Wallace, may I interrupt? We are way over time. You are doing very well for a group of four people but we still have not discussed a joint plan of action yet and Mr Baron has some more questions.

Q106 Mr Baron: I have two questions. The first question is directed at you, Mr Straw. Not so long ago, going back two years, there was all sorts of concern following the IAEA report about Iran's nuclear ambitions. There was lots of sabre rattling here from various quarters. Given that most of the evidence was circumstantial and not hard evidence, and given your time leading up to the Iraq war where you saw things from the inside, do you see any parallels with that period that concern you? If so, what are the lessons we should learn if any?

Mr Straw: There are not any direct parallels. There is certainly an overwhelming lesson about the need to be highly sceptical about intelligence. The issue with Iraq was not that there was any ambiguity about what Iraq had had by way of chemical and biological weapons programmes. That was incontrovertible. The issue was whether they still had them. The issue with Iran involves many fewer certainties. It is speculation as to whether they have had a nuclear weapons ambition and programme and whether they still have. That was why I took such a strong stand when I was Foreign Secretary against any idea that the United

Kingdom should engage in military action against Iran, which caused a bit of a problem inside the Government; but the idea that on speculation fanned by people like the National Council of Resistance of Iran, who are *parti pris*, and, as I say, attached to a terrorist organisation, we should engage in some kind of jihad against Iran, seemed to me to be inconceivable.

In terms of the Iranian hierarchy, the Iranians' problem is that they have not been straight with the IAEA. On that there is no doubt. They may have good reasons, from their point of view, for that. They are not very good reasons from the point of view of the IAEA. Certainly, Ahmadinejad's extraordinary achievement was to so alienate the whole of the rest of the international community that Iran was placed before the Security Council, because of a lack of disclosure. Do I personally believe that there is any evidence to suggest they have got a nuclear weapons programme? No. I think the best indication of that is the national intelligence estimate of the United States in 2007, which judged that Iran had stopped its active nuclear weapons programme in 2003. All the evidence suggests that that is—*[Interruption.]* Confirmed, yes.

Lord Lamont: In 2012.

Mr Straw: Yes, in 2012. That is where that is. Is it a gleam in their eye, that in terms of wanting a nuclear power programme they also develop, intellectually, a capability in extremis to have a nuclear weapons capability? Probably; but that does not mean they are going to be a danger to the world—Saudi Arabia wants to have a nuclear power programme.

Q107 Mr Baron: Finally, and briefly, you have had an extensive range of meetings and a packed agenda in a relatively short period time. Is there any intention by the APPG to produce a report, so that we can have a better record of the entirety, and the range and scope, of the meetings you have had, and indeed the discussions?

Mr Straw: We individually have done reports. I have brought my notebook with me, which is 60 pages of manuscript notes of the meetings. I would be happy to do that—you would have to give us two or three weeks, if that is all right.

Q108 Mr Baron: Yes, but the intention is to produce a full report that brings everything together.

Mr Straw: A short report was done by Mr Corbyn, very helpfully, for the IPU, because the IPU is in the process of agreeing to invite a return delegation from the Majlis—or it may be already agreed, for all I know.

Jeremy Corbyn: Yes, I am on the IPU executive, and we are looking forward to them coming. Dates have not been finally sorted out, but it is in process.

Can I just say in response to Mr Baron's point that I think there is a huge step forward with the tentative agreement—hopefully a permanent agreement—on nuclear processing. I say that as somebody who is not remotely in favour of nuclear power. I recognise that legally they are allowed to do it; but if we do not move it on from there by recognising Iran has never left a non-proliferation treaty system—I was at the NPT prepcom last year in Geneva and the anger of Egypt and other countries at the lack of any progress on the 2010 declaration on a weapons-free zone in the region means that there is a danger, then, of proliferation with

somebody else. So Israel has to be brought into the debate and the negotiations about nuclear weapons. Surely that is the direction we have got to go in; and it is going to come up again at the prepcom in New York, I am sure, and at the review conference the following year.

Q109 Sir Menzies Campbell: With the exhortations of the Chairman ringing in my ears, may I ask you one question? Did you form any impression of those that you met, that they were anxious to be helpful about a settlement in Syria?

Mr Straw: Yes. They made a hard-headed point that you could not get a lasting settlement in Syria without Iran—and you can't. Iran has got big equities in there. They claimed that they had been as instrumental in securing the chemical weapons deal as the Russians. I have no provenance for that, but that was their claim. They did not at any time protest that their overwhelming interest was to maintain President Assad in power. My own sense is that if we could get them inside the wheel of the negotiations, they would be at least more helpful than they are being outside that wheel of negotiations.

Lord Lamont: When talking about Syria, Mr Zarif constantly said that it depends on the Syrian people. He then talked about having free elections. That seemed to me to be so far away from possibility at the moment that I did not even bother to record it in my own report of the meeting. But, actually, I have noticed that publicly he uses exactly that phraseology, talking about how it depends on and can only be resolved by the Syrian people and that the way to do that is through free and open elections. Now, that might seem a very long way away from where we are, but if that is the Iranian position, there is a lot to be said for challenging them on that, to secure a pathway along a road by which that would eventually become possible. Although elections, if they are ever possible, are a long way away, their support for them is an argument for involving them in a process that might make it possible.

Jeremy Corbyn: They should clearly be around the table in the Syria talks.

Mr Wallace: No one mentioned President Assad by name or defended him by name. They talked about what Lord Lamont has mentioned. No one in the Foreign Ministry said, "Assad is there—leave him alone. He's the President and that is the will of the people."

Q110 Mike Gapes: May I take you to the 24 November agreement in Geneva and the action plan? Can I ask your opinion of this joint plan of action—on the basis of the discussions you had can you see any obvious loopholes or problems?

Lord Lamont: I can see problems.

Mr Straw: You will always get problems with a plan this detailed. Indeed, as you will know, Mr Gapes, it was followed by two or three weeks of technical discussions to pin down some of the things they were talking about, which had to be left in the air. This is a complicated dossier, and there will be problems—there are bound to be with different interests involved. It boils down to whether both sides want a long-term deal. If both sides want a long-term deal they will achieve it. If they don't, they will find reasons for disagreeing.

Lord Lamont: I think it is a good document myself, and I am a strong supporter of the process, as I said earlier, but I think there are a lot of problems in the document. The first one, which Mr Zarif described to us as a vast problem, is how you can reconcile the sheer scale of

enrichment, if they are not prepared to dismantle something permanently, with the very small nuclear capacity that they actually have. Bushehr, Arak, the research reactor—it does not really add up to much. I always compare it to building a lot of petrol stations but not actually having many cars. That is a big problem. There are a few variables you can play around with, such as installed capacity versus utilised capacity, but that is going to be a very big problem.

There is the question of the Arak reactor, which of course produces plutonium, but I think there may be technical adaptations. People have said that it could be made a light-water reactor. I am not an expert and am not very knowledgeable about that, but Zarif said that he himself had talked to American scientists about various technical answers to that.

Thirdly, there is the difficult issue—the controversial area—of R and D. The Iranians will be very resistant to curtailing the amount of research and development they can do. “Why should the quest for knowledge itself be limited?” will be how they will argue. There is a huge pride in this, to do with the view that the west has that Islamic countries are scientifically backward. They wish to prove the opposite and that is a big problem.

Q111 Mike Gapes: Can I take you to the actual text of the document? On the top of the second page, it refers to the Natanz fuel enrichment plant; it refers to the Fordow facility, which was only discovered in 2009 and which the Iranians had kept secret for a very long time; it refers to the Arak reactor, but it does not mention Parchin, the site where they have been doing something that is deemed to be related to the nuclear programme. Is that going to be a difficulty? They are thought to have carried out tests for a nuclear weapons detonation system at Parchin, but Parchin is not mentioned.

Mr Straw: I think it may be a difficulty, but is there any evidence that they have carried out—

Mike Gapes: As far as I am aware, the IAEA requested and was refused access to that site—

Mr Straw: That is true, but I have never seen any evidence—

Mike Gapes: Well—

Mr Straw: So we are clear about the assumptions, who has said that there have been nuclear weapons detonations at that facility?

Mike Gapes: It was not a detonation, Jack. I was talking about testing a system for detonation. They have not carried out nuclear tests. This was some associated equipment that they were testing at that site. We have got a session with Mark Fitzpatrick afterwards, so perhaps we can get greater detail—

Jeremy Corbyn: What is the source?

Q112 Mike Gapes: Off the top of my head, I am not sure of the exact source. It may even be from newspaper publications in Dubai, or the International Institute for Strategic Studies. The point I am making is that the Parchin site is one that the IAEA was refused access to—it requested access to that site and was refused. My question therefore is, why is Parchin not mentioned in the communiqué? Is that going to be an issue or a problem of concern?

Lord Lamont: I think that Parchin will be an issue. You are quite right, the allegation was made and the IAEA referred to it—that this detonation system had at some point in the past been used. The Iranians denied that Parchin had anything to do with nuclear and that it was a military site. A request was made to visit; at one point, it was granted and then not implemented. I imagine that the request will be made again. Even though it is not mentioned in the document, I find it very difficult to believe that it will not feature in the discussions.

Q113 Mike Gapes: Did you raise the issue?

Witnesses: No.

Lord Lamont: We did not talk about Parchin.

Mr Wallace: Just to be aware, this slightly alludes to the separation of powers in Iran. To all intents and purposes, much of this inspection regime detail is the equivalent of the additional protocol of the NPT. However, being in the real world of politics and what is achievable in Iran, if they had put the additional protocol in this document in black and white, that would require ratification by the Majlis, so it could have failed, or certainly faced significant delays. The negotiators clearly worked out that if they can get large elements of the inspection on the face of the agreement, without going via the additional protocol, that is a step in the right direction, leading towards—hopefully, perhaps—the inspection of the Parchin site.

On that site—I suppose, again, this goes back to history versus the here and now—if the Iranians are now using it for further military dimensions in the nuclear programme, they are very stupid indeed, because I should think that every spy satellite on earth is watching it and everyone knows where it is. This is the crux—this is about the future behaviour of Iran, rather than its past. We will sit around and debate did it, or didn't it in 2004, 2006 or 2008—we can go on and on. It will have to be addressed, yes, but should we be concerned that it is absent from the joint action plan? No.

Q114 Mike Gapes: Why should we have confidence that Iran will abide strictly by the terms of any deal that might finally be reached?

Mr Straw: Why? Because it is in the Iranians' interests. They are very difficult to negotiate with, although they are not alone in this. They argue about language—culturally, they have taken great interest in language and linguistics, because they have a long tradition of poetry in their popular culture, so ambiguity is part of their popular culture and they will exploit ambiguity in language. If something is pinned down, however, because they honour language, on the whole they will do it. Why on earth would they have gone this far to make an agreement, at some political cost to President Rouhani, if they were not then going to implement it? You would then end up with the worst of all worlds.

Q115 Mike Gapes: Isn't that just because they want the easing of the sanctions, which you've said—

Mr Straw: You can make that case against any international partner at all—you can easily make it against Israel, let me say, who signs up to all sorts of things and then doesn't do them—but on the whole, the history of Iran is that where they sign up to texts, they implement them.

Lord Lamont: I think I would answer slightly differently. I would say that the answer to your recent question is that the agreement has got to have very, very intrusive, round-the-clock monitoring of every site. In addition, it has to have the right to go to suspected facilities—suspected undeclared facilities. It has got to have the additional protocol, plus annex 3(1) as well, which would give those rights to inspections elsewhere. It is all subject to sincerity and subject to proof, but I do believe that the United States and the IAEA have got a good ability to monitor these things.

Q116 Mike Gapes: May I ask you, finally, about the sanctions? It is quite clear that the really tough sanctions of the last few years by the US and the European Union brought the Iranians to the negotiating table and that the Supreme Leader is therefore in a different position from where they were—he has got Rouhani there, who clearly wants a new approach. Should we have imposed tougher sanctions earlier, to get an earlier result, or not?

Mr Wallace: I do not accept the premise of your question. I do not think they necessarily came to the table because sanctions delivered them there; I think they came to the table for a combination of things. The Iranian people wanted to have a different direction for influence on the world—they wanted Iran to be taken seriously. They elected a leader who they thought would have a rapprochement, because some of the hard-line opponents to this, or the more conservative wing in Iran, quite enjoy the isolation and the profits that sanctions brought them, and included in that is the Revolutionary Guard. One of the first and very brave, but also controversial, speeches of President Rouhani's tenure was when he went to the gathering of the Revolutionary Guard and told them to stay out of politics. That was "quite a brave thing to do, Minister,"—as they probably say in Whitehall—and it was about trying to prune back the Revolutionary Guard. Some elements of that guard force have successfully profited from the sanctions regime, so I do not believe it is all about the sanctions forcing them to Geneva.

Q117 Mike Gapes: So you are not agreeing with the position that the British Government has consistently taken over several years?

Mr Wallace: I think it is a factor; I do not think it was the unique factor. They didn't force them to the table.

Mr Straw: If there had been a different President—as it were, a political heir to Ahmadinejad—sanctions would still be there and there would be no Geneva agreement. The Iranians we met were perfectly open—I have said this—about the way in which the Iranian economy has been damaged by sanctions. However, it does not follow from that that that alone has been the trigger for this—the beginnings of rapprochement—because it isn't. The trigger for this was the election of President Rouhani, with a different agenda.

Jeremy Corbyn: Very briefly, I think isolation has been a part of the problem. Isolation has not helped a lot of people in Iran, and it certainly has not helped the legitimate opposition within Iran. Having a normal relationship with Iran surely has a big effect on opening up an awful lot of aspects of society there. Sure there are loads of problems with the agreements in Geneva and it may well collapse—one hopes it does not—but as Mr Straw said, either side can collapse it if they wanted to. If there is a real wish to get a deal, there will be a deal.

Lord Lamont: One can argue about the past, but I think one thing is certain, and that is that if additional sanctions were now proposed by the US Senate, during this period when the interim agreement is attempting to be negotiated, the deal will collapse.

Chair: May I thank you all very much indeed? It has been a very detailed and constructive session. It is very much appreciated.

Sitting suspended.

On resuming—

Examination of Witnesses

Witness: **Mark Fitzpatrick**, Director, Non-Proliferation and Disarmament Programme, International Institute for Strategic Studies, gave evidence.

Q118 Chair: Our next witness is Mr Mark Fitzpatrick, who is director of the non-proliferation and disarmament programme at the International Institute for Strategic Studies? May I welcome you, Mr Fitzpatrick, and apologise for the fact you had to wait? I hope you agree that we have just had a very interesting session. Is there something you would like to say by way of opening remarks?

Mark Fitzpatrick: Yes, Mr Chairman. I thought I would speak for a couple of minutes about my impressions of the joint plan of action that was being discussed towards the end of that previous session. I am positive for the short term. Under the joint plan of action, Iran's nuclear capabilities are capped. The time to produce a weapons-worth of highly enriched uranium will double instead of being halved by next December as had been projected. The threat of war has been put off. Iran's pragmatic new President delivered on his promise to start dialling back sanctions, and his negotiators made most of the compromises. Neither side has any incentive to cheat.

The wind has come out of the sails of the US Congressional push to adopt new sanctions, which would scuttle diplomacy in my view. There is growing recognition that to be politically viable, any final deal would have to allow some degree of enrichment on Iran's soil. But I am pessimistic about the long term. The two sides are simply too far apart in their demands for what a comprehensive deal must entail.

The west wants deep cutbacks, elimination of the vast majority of the centrifuges and Fordow and Arak facilities and for the period of limitations to last up to 20 years. It also wants clarity concerning the evidence of Iran's past weapons development work. Iran does not want to dismantle anything or to give up its capability to be able to produce nuclear weapons. It is willing to make tactical adjustments, but it seeks limits that last only a short time. In exchange, Iran wants all sanctions lifted.

There are technical solutions, as Lord Lamont mentioned. Rather than being dumbed down, Arak can be upgraded to a light-water reactor with conditions that make it proliferation-resistant. The time frame for the limitations can be left up to the IAEA to apply neutral objective criteria. If Iran accepts and fully implements the additional protocol, after a few years the IAEA could draw up conclusions about no undeclared nuclear activity.

Whether the solutions are politically acceptable to the key capitals, however, I doubt. My best guess is that the negotiators will not produce a comprehensive agreement and that at the end of the six months the interim period will be rolled over, probably with some further incremental limits to both the nuclear programme and to sanctions. Whether it can be rolled over for more than another six months is too early to tell, especially in the light of the mid-term US elections in November.

Q119 Chair: Thank you very much indeed, Mr Fitzpatrick. I know you were listening to the last session and heard the members of the all-party group. Do you agree with their assessment right at the end that if Mr Ahmadinejad was still the President there would have been no agreement and no joint plan of action?

Mark Fitzpatrick: I think that is a fair assessment. He could not have still been President because the term of election was eight years, but Mr Jalili, who was presumed to be the front-runner, supported by the Supreme Leader, would not, I think, have made this deal.

Q120 Chair: Who is in charge of the nuclear programme now?

Mark Fitzpatrick: That is a tough question. There is a kind of consensus way that decisions are made in Iran. Ultimately, of course, the Supreme Leader has the say and nothing will happen of this importance without his agreement, but he alone cannot make a decision that is contrary to the views of the others in what is sometimes called the elite. So there are various circles of power and a kind of consensus.

Who is in charge of the nuclear programme? On the one hand it is the Atomic Energy Organisation of Iran, led by an ally of the President, but I do not think that they are in charge of the weaponisation work of which there has been evidence in the past. I think military organisations are in charge of that which run—or have run—parallel operations.

Q121 Chair: Do you buy the argument that there are factions in Iran who will actively try to prevent a deal from being done?

Mark Fitzpatrick: I am certain that there are opponents to this deal and they probably could be described as factions. Parts of the Iranian Revolutionary Guard Corps are doing very well under the current sanctions regime: they reap the black market profits from the sanctions when private businesses cannot compete. I think, just for pure commercial reasons, they might oppose the deal, but they might also oppose it because they do not like the west—the United Kingdom and the United States—and they do not want to do business with us.

Q122 Chair: Last year, you told us that Iran was capable of producing enough fissile material to make a nuclear bomb within months. Is that still your assessment?

Mark Fitzpatrick: Yes, but, as I mentioned in my opening statement, that time period will probably double under the joint plan of action, because the 20% enriched uranium will be eliminated. That makes it take longer to produce the fissile material.

Q123 Mr Baron: Not so long ago, and staying with Iran's capacity to produce a nuclear bomb, opinion was cleanly divided between those who thought that Iran had made the decision and was in the process of taking on a nuclear weapons programme, with it being a

question of time, and others who believed that they were just trying to get to the point of capability without having made the decision to take the next step. What is your assessment?

Mark Fitzpatrick: My assessment is that Iran has had a nuclear weapons capability for some time. It is not one point; it is a continuum, and they have wanted to be able to produce a nuclear weapon in a short amount of time if they make the political decision to do so. I have seen no evidence that they have made that decision. So I would say that they wanted to get that capability better and better so they would have it if circumstances were to mean that they wanted to go the rest of the way.

Q124 Mr Baron: What is your answer to those, including the western powers, who looked at the last IAEA report—going back to November 2011—and concluded from that that Iran had definitely made a decision to go for it, despite there being no smoking gun?

Mark Fitzpatrick: I am not aware of too many analysts who were so certain that Iran had made a decision to produce nuclear weapons. Most of the analysts I respect voiced opinions similar to the one I did: that they wanted to get to the point where they could make a dash for it, if they made a decision to do so.

Q125 Sir Menzies Campbell: Who would you say made the running and can claim the credit for the plan for the discussions that led to the joint plan of action? Where did the impetus come from?

Mark Fitzpatrick: I think that there are probably multiple impetuses, but I would say that the sanctions were certainly part of it. They created a political environment that helped Rouhani win the election. In the election debate, the nuclear issue came up, as did the sanctions. If you take a poll in Iran, you will find, as some pollsters have, that most people do not say that they voted for Rouhani because he wanted to get rid of sanctions. They ascribe other reasons, but sanctions certainly were part of it and his desire to turn a corner was another part of it. He was interested in a pragmatic way of moving forward. He wanted to be able to retain the capability, but to be willing to make tactical adjustments that would allow sanctions to be lifted.

Q126 Sir Menzies Campbell: And on the other side of the argument?

Mark Fitzpatrick: Certainly the six powers are all led by Governments that wanted to make a deal, and obviously they have.

Q127 Sir Menzies Campbell: I am just interested in what the dynamic was. How was it that something which had seemed impossible until Rouhani's election—

Mark Fitzpatrick: I think that one could make a distinction with a year and a half ago, when the negotiations were going on in a series of capitals—Baghdad, Istanbul and Moscow. In each of those capitals the six powers came with a proposal and Iran did not want to negotiate. They offered a completely unrealistic set of demands. They weren't really negotiations. Iran changed its President and he was willing actually to negotiate, to be transactional. That is the biggest factor.

Q128 Mike Gapes: May I take you to the joint plan of action? What are the main concessions that the western side has made to get this agreement and—the same question I asked the parliamentarians—can you see any obvious loopholes or problems?

Mark Fitzpatrick: The west started off with some demands. Remember the three famous demands: stop, ship and shut. Stop the 20% enrichment, ship out the accumulated stockpile of 20% and shut down Fordow. They got “stop”, they didn’t get “ship” or “shut”, so you might say that they made concessions in their demands. They didn’t get everything that they asked for, nor did they get the amount of clarity about the past work at places like Parchin. They made concessions on sanctions, but I would argue that what they gave up is rather minuscule in contrast to the amount of sanctions that Iran remains under.

The loopholes that I worry about a little bit are that Iran is allowed to maintain R and D on advanced centrifuges. They are allowed to keep some of the second, third and fourth generation—even sixth generation—centrifuges spinning at the pilot plant at Natanz, and they will be doing development work somewhere else.

Q129 Mike Gapes: May I ask you about this question of concealment of sites? The Fordow facility was not acknowledged, it was discovered late, in 2009. Could we make an assumption that there might be other secret sites that we do not know about that might yet be disclosed or detected, and blow apart the whole deal?

Mark Fitzpatrick: I think it is a pretty fair assumption that there are some other facilities that have not been revealed, because it is Iran’s policy not to reveal nuclear facilities until such a time as they are about ready to come into operation. That is their policy, so, yes, I think there very well could be other facilities. Now, would the discovery of those facilities lead to the deal being blown up? Quite possibly, depending on how far along they were. If they had centrifuges running in violation of IAEA safeguards requirements—they have to declare before any centrifuges actually run with uranium in them—then that, I think, would blow it up. If there were empty halls, maybe it wouldn’t blow up the deal, but it would certainly create some trouble.

Q130 Mike Gapes: May I also ask you about Parchin? Perhaps you could clarify, because we got into an exchange earlier. Is the omission of mention of Parchin in the joint action plan a serious problem?

Mark Fitzpatrick: I don’t think it is a serious problem, because the E3+3 negotiations with Iran were focused on their current actions and activities and the future, as Mr Wallace said. There is a separate diplomatic forum to talk about the issues of the past. Those are the diplomatic discussions going on with the IAEA. You are certainly right: the IAEA has asked repeatedly to go to Parchin and the IAEA’s new deal, which they got with Iran recently, does not allow Parchin. I do not think even that is a show-stopper, because I don’t think the IAEA is going to find anything at Parchin even if they went.

Mike Gapes: Because they took all the earth away.

Mark Fitzpatrick: Yes, and they cleaned it out and so forth. So I wouldn’t make such a big deal about it. The main point is this: Iran has to explain these allegations of past weaponisation work. They have to be able to explain why there is so much evidence of that,

even if it is not conclusive. Until they do, the IAEA won't be able to fully come to grips with their programme.

I don't think that you could just sweep that under the rug and say: "Well, the past is past, they did weaponisation work in the past" and forget about it. You have to have a starting place to be able to evaluate future activities and whether that was really all in the past or whether it is present.

Q131 Mike Gapes: Another question that comes out of the joint plan of action is this agreement that they were going to dilute the uranium oxide back to a form which can be used in centrifuges. How long does that take and how easy is it to do? Can it be done secretly?

Mark Fitzpatrick: Perhaps I could just rephrase your question. The issue is one of reconversion of the oxide to the gasified form. How long does that take, could it be done in secret? There is debate about how long it can take. Most technical experts who understand how centrifuge and uranium enrichment work will tell you it doesn't take too long at all, maybe a few weeks once you have a line established to do it. Setting up the line might take a few weeks and then actually doing it might only take a couple of weeks. Could it be done in secret? The activity could probably be done in secret, but probably not, because the material itself is safeguarded. The IAEA keeps watch on that oxide, so if it is taken away somewhere and done in a secret facility, the IAEA would discover that.

Q132 Mike Gapes: Finally, the joint action plan establishes a joint commission which is supposed to work with the IAEA to facilitate resolution of past and present issues of concern. You have alluded to some of these issues in the past; how will this joint commission work and what will it be dealing with?

Mark Fitzpatrick: I won't be able to answer that question very well because that is one of the details that is not spelled out in what has been made public by the implementation plan. They just announced that there is going to be this body. It is pretty common in these kinds of negotiations to have some body, but I don't have any insights into how exactly it will work.

Q133 Mike Gapes: Is it possible that there will be a separate, secret agreement about how it will work?

Mark Fitzpatrick: I wouldn't call it a secret agreement exactly. It is established diplomatic process that when you have detailed negotiations such as this, some parts are not made public. It is actually an indication of the seriousness of the negotiators that they don't run out and make everything public. I know that in my country, the United States, some legislators are demanding that it be made public because they fear that there might be some secret thing that could be to the detriment of their country, but as a former diplomat I do not think it is too unusual.

Q134 Chair: Do you accept that it might be possible to agree with the IAEA and not agree with the requirements of the joint plan of action?

Mark Fitzpatrick: This may not answer your question exactly—

Chair: You may rephrase my question if you want. I rather like that phrase.

Mark Fitzpatrick: Thank you—you are being very generous. I think there is an issue here that you are both touching on, that these two sets of diplomatic negotiations are not addressing the same set of issues and they could come into conflict, because the IAEA's role is to clarify past activity, while the six powers are looking to the future and some of them might seek to forget about what happened in the past. I saw this happen in the North Korea negotiations. We never got to the bottom of what happened with North Korea's past nuclear activity and the IAEA was excluded from being able to verify this when the US-North Korea agreement came into place. It only verified the new agreement, not the past. I hope that that does not happen with the Iran case.

Q135 Mike Gapes: It is not a good precedent, is it?

Mark Fitzpatrick: No.

Q136 Sir John Stanley: Do you think that Iran may have a concealed plutonium route to a nuclear weapons programme other than possibly at Arak?

Mark Fitzpatrick: I don't think it would be so easy to conceal a plutonium route fully because you have first to produce the plutonium in a reactor, and reactors give off signals of heat and they're large. The better question might be, might they have a secret reprocessing facility so that they could take the spent fuel that comes out of Arak and make it weapons-usable? It is not so hard to have a secret reprocessing facility, but the IAEA will be safeguarding the spent fuel, so if it is diverted, the inspectors would know about that.

Q137 Chair: Are you confident that Iran will stick to the terms of the deal?

Mark Fitzpatrick: I think Iran has every incentive to stick to the terms of the deal, because they want these sanctions lifted. If they break the deal, not only would they lose the small benefits that they are getting, they would lose the hope of future benefits, and the sanctions would pile on. The United States Senate has additional sanctions on the shelf. If Iran breaks the deal, even the Obama Administration would be in favour of imposing new sanctions.

The issue might be, though, would Iran do something in some other realm, such as secret facilities, that would scuttle the deal. They would not intend to do it, but they would do something that would have an external impact. It might not be secret nuclear facilities: it could be something in Syria. Say the Iranian Revolutionary Guards, who are already assisting the Assad regime, assisted in a bigger way with more troops—right now, they are mostly putting in advisers. That could cause a backlash in western capitals.

Q138 Chair: They have to come back to the table within one year. Some people have said that actually all they want is six-month deals that just keep rolling over. Do you think there is any merit in that?

Mark Fitzpatrick: I do not think that Iran is the party that is most interested in rolling over the deal in order to, as is often said, buy time while they continue some nuclear work. They have already been continuing all their nuclear work with no negotiations, so having negotiations doesn't give them any additional benefit: in fact, it caps their programme. They

are probably the ones who are more in a hurry to get a final deal, even though they do not talk that way. They talk as though it is, “Oh well, maybe let the West be the ones”, but they have an incentive. The West probably has an incentive to keep it capped. If there is not a comprehensive deal struck in the next six months, it is probably to western capitals’ benefit to roll this over to keep the lid on the programme.

Q139 Chair: From what you were saying a moment ago, you seemed to acknowledge that the sanctions are working—they have had an impact—in negotiating terms.

Mark Fitzpatrick: Yes, that is my belief. The sanctions had an impact in persuading Iran to come to the table and to try to strike a deal quickly.

Q140 Chair: So it was a combination of Rouhani’s election and sanctions?

Mark Fitzpatrick: That is my answer, yes.

Q141 Chair: Can you see any viable alternatives to the joint plan of action?

Mark Fitzpatrick: No, I think the alternative to the joint plan of action is a no-deal and Iran shortening this period by which it could have a weapon and moving to a path toward war. The alternative of no-deal is a very scary path.

Q142 Chair: So you think we will do a deal, do you?

Mark Fitzpatrick: I am certainly in favour of it, yes.

Chair: But do you think it will happen? Do you think a long-term comprehensive agreement will be reached?

Mark Fitzpatrick: No, I don’t. I think it would be too difficult politically for Iran to accept the limits that would be required and for Washington to give Iran what it wants in terms of lifting sanctions. I was asked earlier what percentage I would assign to a comprehensive deal, and I said 10%. Then I was asked what percentage for another six-month deal, a roll-over. I said 80%. That leaves 10% for a total collapse and a calamity.

Q143 Chair: You said in answer to a question from Mr Gapes a moment ago that it was possible that there were hidden facilities. That, coupled with the fact that you give an 80% improbability of a comprehensive agreement being reached, is a fairly pessimistic picture.

Mark Fitzpatrick: These hidden facilities that are probably out there somewhere may not have too much equipment in them, and that alone would not scuttle the deal.

Q144 Chair: On that cheery note, I have to confess that you have been a Chairman’s dream. We have actually got the programme back on track today and you have answered all our questions succinctly and accurately. For that I thank you very much.

Mark Fitzpatrick: You are welcome. Thank you for having me again.

Chair: Thank you.