

Written evidence submitted by Dr Anna Hillingdon (UKI0006)

Dr Anna Hillingdon was born and raised in Iran, educated in the UK and became a British citizen in 2015. She has delivered projects for the UNWTO, NATO, the World Bank and has presented written and oral evidence to the UK House of Commons Defence Committee. Anna is an Associate Professor at Bournemouth University and teaches quantitative finance.

Anna would be pleased to provide clarification or further detail on any of the points made below. She is available to give oral evidence remotely if this would assist the Committee.

Summary and key recommendations

It is important when examining the basis of engagement between the UK and Iran to include Iran's perspective; the UK's responses can then be assessed, given the Iranian perspective and response.

- The cautious view from an Iranian perspective is mainly underpinned by historical, territorial issues, and at present the UK's close support for some Iranian rival state and non-state actors in the region¹.
- The key challenge between the UK and Iran is the absence of incentive compatible mechanisms. The bilateral issues could generate an optimum outcome if cooperation between the two countries is at least as beneficial as non-cooperation.
- The "navy-fication" of the Persian Gulf escalates the tension in this desirable Cul-de-Sac, which is in no one's interest.
- Economic independencies discourage cooperation and are costly for both countries; western sanctions leave Iran open to the cultural and economic influence of other countries.
- The support of many Arab countries for Iraq during the imposed war in the 1980s encouraged Iran to improve its defences with some aggression.
- The JCPOA was not stable, it did not produce an efficient outcome least of all from the USA perspective. The USA unilateral walk out was seen as a victory by hardliners in Iran.

Key recommendations

¹ • ignoring issues outside the region

- It is misleading to view the relationship between Iran and the UK as bilateral, their relationship is conditional on wider complex network.
- Communication between the two countries often resembles the blind talking to the deaf.
- Iran is geopolitically surrounded by conflict zones, politically unstable countries, and is itself made up of major different ethnicities. Even if Iran did not have any networks in the region, its defence capability matters for Iranian national security, and western powers should take this into consideration.
- Britain's image is largely perceived to be only furthering its own interests and objectives, irrespective of the externalities that it will leave. Work needs to be done on this front, if the is UK willing to.
- The more demarcation between different religious sects the more competition to gain influence and the more armed conflict in the region.
- Sanctions could lead to undesirable outcomes, creating economic independencies and discouraging cooperation.
- It takes only one side to break a deal but it needs two sides to form one. Given the USA's new demands, and the hard core view in Iran, the deal seems dead in water for now.

Relations between the UK and Iran, and vice versa: history, evolution, and aims

1. Historical mistrust between the UK and Iran can be summed into territorial issues (events around the nationalisation which is mentioned in the FCO response², although the USA is seen as the lead foreign state of this event) and political Islam.
2. Territorial issues: The Anglo British war in 1857 in Herat resulting in the treaty of Paris³ following which the Persians withdrew from Herat. This issue has roots in rivalries between the British, French and Russians competing to expand access and control⁴ over South Asia and international waters. The tension between Iran and the British Empire in eastern Baluchistan and the recognition of Bahram Khan in 1916, although, later on, the British helped the Iranian Reza Shah to gain control of western Baluchistan. The Anglo Russian Convention (1907)⁵, saw Persia divided between Russian control in the North and British control in the South. Despite the rivalries between the British and Russian Empires, they agreed to stay away from each other's areas of control in Iran. The threat of Germany may not have been the primary reason for this but might have added weight to this agreement. The Iranian government saw this as threatening their integrity and

² <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/foreign-affairs-committee/the-uk-and-irans-regional-role/written/106189.html>

³ [https://en.wikipedia.org/wiki/Treaty_of_Paris_\(1857\)](https://en.wikipedia.org/wiki/Treaty_of_Paris_(1857))

⁴ See for example return of a King , the battle for Afghanistan

⁵ https://en.wikipedia.org/wiki/Anglo-Russian_Convention

independence as a country and refused to accept its legitimacy. The Russian Empire collapsed following the Russian revolution and thus it could be argued that the Iranians might have seen the new Russian government independent of the previous empire's policies; this has not been the case for the UK.

3. Political Islam brings a heated debate to the link between some Muslim clerics/Islamic ideologists and the freemason society⁶; this is a view that is shared among many in Iran and in the Middle East. This notion is based on implicit observable behaviour such as membership⁷ of Sayyid Jamāl ad-Dīn Asadābādī⁸ in many lodges in different countries, or more recent events such as the medical trip of the Grand Ayatollah Ali al-Sistani⁹, the highest Shia authority in Iraq, to the UK for health reasons, when there were many well-equipped health centres within the region and Iran. His travel may have been underpinned by other motivations. This may not be a smoking gun, but perception is important particularly where politics is the topic of discussion on every door step and, such anecdotal evidence can have an impact.

Challenges of, and alternatives to, current methods of addressing bilateral disputes (past and present);

4. The majority of disputes between the UK and Iran could have been prevented¹⁰. Since 1979, a key challenge to the bilateral relationship between the UK and Iran has been the wider regional network, constituted of state and non-state actors. This bilateral relationship is constrained by the absence of coordination in changes. For example, Iran works with the UK as long as Iran supports Hamas, but the UK recognises the military branch of the Hamas as a terrorist group. The UK is a close ally of Israel - Iran's and Israel relationship is obvious. The UK (and Iran) provides strong support to some regional countries and groups that are in opposition to Iran (to the UK) and this creates friction with the Iranian leadership "you are a friend of my rival/enemy therefore you are not my friend".
5. The United Kingdom and Iran face a common issue, substantiated for the UK, historical for Iran. Iran is overwhelmingly proud of its distant civilisation, whereas the UK looks back to its more recent Empire, yet UK advances in science, technology and civil laws leaves Iran, one of the oldest civilisations, in its dust. With the combination of historical pride and religious conservatism on the Iranian part and the advancement in the UK it is inevitable that both countries bargain hard, with neither their understanding nor goals aligned. Bilateral issues are a symptom of wider causes; therefore, it is plausible to evaluate the causes rather than focusing on the symptoms, bilateral disputes. What prevents the UK and Iran from agreeing

⁶ <https://www.voltairenet.org/article201316.html>

⁷ <https://www.youtube.com/watch?v=0c8OrJPwZqY>

⁸ https://en.wikipedia.org/wiki/Jam%C4%81l_al-D%C4%ABn_al-Afgh%C4%81n%C4%AB

⁹ <https://www.theguardian.com/world/2004/aug/07/iraq.brianwhitaker>

¹⁰ (e.g. capture of 15 British Navy from HMS Cornwall in 2007 in persin Gulf, the MoD refusal of handing over £400m owed since 1970s to Iran, imprisonment of dual national citizens by the Iranians, very recent temporary arrest of British ambassador during anti regime street demonstration).

mutually beneficial contracts immediately instead of using strategies such as Grim trigger, limited punishment or 'tit for tat' to solve their disputes? If there is an equilibrium relationship between the UK and Iran then, in spite of some short-term disequilibrium, a state of equilibrium could be reached. However, 41 years on since the 1979 revolution, equilibrium is challenged. The bilateral relationship is conditional on wider regional and international networks that pursue fundamentally different goals, giving rise to disputes (see recommendation) with no or difficult solutions.

The UK's policies towards Iran's role in the region and the UK's broader regional alliances

6. The Islamic revolution's original idea of exporting the Islamic revolution has not earned hard currency for Iran, and instead created networks of regional rivalry and tension. Iran and the Kingdom of Saudi Arabia (KSA) are considered as the two pillars for the US strategy¹¹ with strong support for KSA. Since 1979, the UK policy towards Iran has been dependent on the severity of US sanctions. They become more independent as severity of the US sanctions reduces and highly correlated when the USA intensifies sanction(s) on Iran. Therefore, the UK's policy toward Iran's role in the region reflects US policy to a large extent.
7. One of the key issues for the Iranian regime lies in the fact that Persians are not Arabs and the majority do not follow Sunni Islam. Therefore, the exporting of the revolution, Shia Islam, is seen as a direct threat to the KSA. In extreme cases, Shia is not even seen as Islam, it is rather seen as a Jewish creation, to damage Islam from within, hence, the opposition of terrorist groups such as ISIS towards Shia¹² Islam. This has increased the dependency of KSA on the UK¹³ (e.g. SANGCOM¹⁴) for its defence and not helped Iran's relationship regionally.
8. During the Iraq war on Iran in the early 1980s, the leadership used the slogan¹⁵ "*The path to Jerusalem runs through Karbala*" as an incentive to encourage some of the more religiously conservative armed forces to battle at the front, not only to reach Karbala, which is a holy city for Shia Islam, but to aim for Jerusalem (the British took control of the city in 1917 from the Ottoman Empire, the last Muslim rule there) hence, further antagonising Israel and its allies, e.g. the UK. Iran created the star¹⁶ network¹⁷ which is uniquely efficient in terms of benefits and costs. Iran became the star in a direct link to mostly, but not only (except the support for Sunni groups, such as Hamas which are designated as a terrorist group by the USA) Shia state and non-state fractions within the region. Iran has provided these players money, protection and friendship and earned major influence in Lebanon, Iraq, Syria, Yemen, Bahrain and even in KSA's Shia tribes. One of the key US (and therefore UK) policies has been to influence these networks and eliminate Iran as the star, hence, the UK was on the same page as the US on the assassination of the head of the Iranian Quds force, Qasem Soleimani¹⁸. This provides

¹¹ <https://www.jstor.org/stable/41394171?seq=1>

¹² <https://www.theguardian.com/commentisfree/2017/jan/05/isis-iraq-shia-muslims-jihadis-atrocities>

¹³ And the USA

¹⁴ <https://www.middleeasteye.net/opinion/why-us-and-israel-are-working-so-hard-stop-saudi-iran-approachment>

¹⁵ <https://watchjerusalem.co.il/587-iraq-is-conquered-on-to-jerusalem>

¹⁶ Jackson, M.O (nd) Social and Economic Networks: Models and Analysis. Stanford University

¹⁷ a central point that all other members directly connected to it and connected to each other via star

very little room for the UK to be able to have a frictionless, bilateral relationship with Iran (paragraph 5).

9. During the 8 years of imposed war, Iran saw itself warring not only against Iraq but against the significant support provided to Iraq from other Arab countries. This encouraged Iran to aggressively improve its defences (once bitten twice shy). The vision of an army of 20 million¹⁹ (half of the Iranian population at the time) was created then. Iran has since continued to expand its influence in the region. Even though the war produced no winner, Iran's influence has expanded within the region post the coalition war. This intervention within the region created a space for the expansion of Iranian influence. The UK and Iran, more often than not, were on opposing sides (e.g. Lebanon, Syria, Yemen, Iraq, etc with the exception of the fight against ISIS).
10. Could these tensions have been avoided? FCO's relation with the Iranian leadership suffers from the absence of incentive compatible mechanisms. To see if such mechanisms exist then the question is, can the UK's benefit from working with Iran be at least as beneficial as *not* working with the Iran? The same question applies to the Iranian leadership. For Iran, full cooperation could bring about economic benefits but it is seen as a trade-off against its regional influence, which has pockets of support as far as Lebanon to the west and Yemen in the south. This is to say the bilateral issues could generate an optimum outcome if the cooperation between the two countries is at least as good as non-cooperation. The only way Iran cooperates is if the downside from not co-operating is greater than the cost of co-operating. That means the UK not only has to invest in the benefits for Iran but also in making non-co-operation more expensive. Is this feasible? This often means the cost of losing such influence is high for Iran's leadership and the cost of forcing Iran to have less influence, is very high for the UK, which results in a futile exercise.
11. Iran almost entirely controls the northern part of the Persian Gulf, a desirable Cul-de-Sac that is home to the world's largest off-shore oilfield, a number of gas fields, pearls, fishing and tourist attractions. To the world, the Persian Gulf means barrels of oil and its revenue has been the key source of income for Iran, at least until the recent heavy wave of sanctions. But the Persian Gulf means much more than barrels of oil to Iran, it means at least as much as the English Channel means to the UK. The Persian Gulf bore the brunt of Saddam's war on Iran; it is the final resting place for many Iranians who perished during the 80s war. The wounds are fresh from the war among many Iranians. Some of Iran's southern neighbours have made on and off claims of ownership of some of the Persian Gulf islands, but they are seen as Iranian as Jersey and Guernsey are seen as being British. The Tanker War during the imposed war was a painful experience which allowed the Iranians to understand the impact of such a strategy first-hand. Iran's control of the Strait of Hormuz is perceived differently from Egypt's control of the Suez Canal, or the UK's control of the English Channel, it is however, seen as the same thing in Iran. This is therefore, an area where Iran will not compromise; it is a matter of national security, priority, pride, and history. Foreign intervention, if it is to deter the current regime of Iran will act as much of a deterrence as if the Russian navy were present in the English Channel. Taking an antagonistic approach over this issue will only result in an

¹⁸ <https://www.theguardian.com/politics/2020/jan/05/britain-sympathetic-to-us-over-killing-of-gassem-suleimani>

¹⁹ <https://www.cia.gov/library/readingroom/docs/CIA-RDP84S00927R000100120003-8.pdf>

escalation of tensions and unite most of the 80 million Iranians behind its leadership on this matter and could invite Russia and China from the Mediterranean and China Sea respectively.

The FCO's role in supporting broader ties (commercial or otherwise)

12. Iran's strategies create externalities, significant economic costs that have been paid by its citizens and increased economic migration to the developed world who often use the migration to drive a rift between the west and Iran.
13. Economic dependencies create vulnerabilities, coercion, cooperation, and compromises. This statement is obvious but the counter positive is less obvious. Economic independencies discourage cooperation which comes directly with an economic and political cost. Almost continuous USA led sanctions have left Iran open to the cultural and economic influence of other countries such as Russia and China. This is a market of 80 million with a large, young population many of whom see the UK as a desirable brand. The UK is not benefiting from better cooperation and the contribution of the world's 4th largest oil producer and of course this has deprived Iran from the UK's advanced technological product and services and its market. While financial gain might bring cooperation, it does not bring loyalty. However, it opens the door to more dialogue and influence that could lead to a better relationship far beyond the mutual economic gains it creates.
14. There are some positive influences on the Iranian audience from at least a British point of view. The BBC and other media channels such as "ManotoTV²⁰" attract a large number of Iranians, repairing some of the suspicions that have been so ingrained in the Iranian mind-set towards Britain since the 19th century.

The future of the JCPOA

15. President Trump's administration argued that the JCPOA was not the best deal that could have been achieved; perhaps the winner's curse²¹, hence, after several warnings they unilaterally walked away from the deal. For the hard-line Iranians, the US walk out was a victory: they did not want a deal with the USA and certainly did not want a deal that stopped, what they claim to be, their peaceful nuclear project. They used national pride to stand against what they described as Satan which they see enhancing their image in their network across the region and increasing their influence. For the hard-line conservatives in Iran and in the USA the deal was not seen as being stable; they "could gain more" if there was no deal. The USA administration added conditions which appear to make the deal for the USA an efficient outcome, but it leaves Iran's hardliners with much less of a pay-off, limits their regional influence and threatens Iran's national security, as even more moderate groups in Iran argued. The US walk out has given ammunition to Iranian hard-liners to argue against those groups who supported the deal in Iran: "we knew

²⁰ <https://www.manototv.com/show/1054/نیم%20شبهه>

²¹ In order to seal a deal, paid too much.

and told you the USA cannot be trusted". The heavy US sanctions have very much limited Iranian purchasing power. However, the evidence from the Iraqi invasion following on from the US sanctions on Saddam Hussain, suggests he had significant cash available in his account, and much more in the pockets of officials outside Iraq, not to mention increased abuses such as smuggling, illegal communications, bribes and kickbacks. The majority of those who bear the suffering from no deal on JCPOA are people who would not harm the USA or its allies if they had the choice.

16. On multilateral diplomacy, the UK alongside Germany and France have made several attempts to salvage the JCPOA deal, but the deal currently seems to be dead in the water (see paragraph 15). It is not incentive compatible to leave the USA demand and choose Iran even if these countries had a close relationship with Iran.

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