President Obama’s policy of engagement with Iran has failed. Recent steps have led to unprecedented hostilities between the two countries with Washington conducting a full-scale economic, covert, cyber and political war with Iran. Yet these measures have not quenched the thirst of the electorate, as both presidential candidates continue the trend of past election campaigns by competing to see who can deliver a more hostile posture toward Iran. Despite this saber rattling, a good relationship is still possible—but only if the United States changes course and opens up to the idea of genuine engagement.

Iran’s strategic location places it at the center of greater Middle East’s main energy sources. It sits on top of the world's two major energy hubs—the Caspian Sea and the Persian Gulf—and that’s why the United States cannot neglect Iran. But the reluctance to end the decades of bilateral hostility will ensure Iran remains a major foreign-policy dilemma and bring the countries closer to the brink of war.

U.S. presidential candidates should be taking a higher moral ground by advocating “cooperation and friendship” rather than “confrontation and hostility” to bring about real change. This would serve the national interests of both nations, the wider region, the international community—and even Israel.

I have been intimately involved in Iran-West relations for a quarter century. It’s become clear to me that the main obstacle to normalizing relations is related to Israel’s influence. Israeli prime minister Benjamin Netanyahu plays a leading role in pushing both parties toward a third war in
the Middle East. As many U.S. foreign-policy experts have told me, “In Washington, Iranian politics are mainly Israeli politics.”

There is a legitimate concern that if Israel’s problems with Iran are not resolved, nuclear negotiations on Iran will not go anywhere. Issues with Iran’s nuclear dossier will not be cleared up.

A few days prior to the nuclear talks in Baghdad in May, Netanyahu made it clear that Israel would not tolerate Iran having any enrichment activities. This led members of the U.S. Congress to call on Obama to require that Iran suspend all uranium enrichment. But this refusal to recognize Iran’s legitimate right to enrichment has been the primary reason for the failure of the recent nuclear talks.

Netanyahu’s strategy is to use the nuclear case as an instrument to drag Washington into a protracted war with Iran. There is widespread speculation that Israel’s prime minister and defense minister are building the case for an attack on Iran’s nuclear sites before the U.S. election, even as there are growing objections from within their cabinet, military and nation reflecting that the overwhelming majority of Israelis are against such an attack.

Fortunately, the U.S. administration has learned a lesson from its disastrous military engagements in Afghanistan and Iraq, making Washington reluctant to start a third war in the Middle East that clearly goes against its national interest. And this has brought to the surface a cleavage between the leaders in Israel and the United States.

Nevertheless, Israel’s present leadership is the key element influencing Washington’s tough stance toward Tehran, escalating hostilities between the two countries. What Netanyahu fails to comprehend is that increased hostilities between Iran and the United States will inevitably result in serious problems for Israel and its security.

Another key obstacle to improving Iranian-American relations is that successive U.S. administrations since the 1979 revolution have lacked a comprehensive strategy for rapprochement with Iran. Instead, they have adopted a policy of regime change.
Even the liberalization and reform programs advanced by former presidents Rafsanjani and Khatami were met with indifference in Washington. The hostility has been unyielding. To many prominent Iranian politicians, including the supreme leader, the only system of government acceptable to the West is a client state ruled by a dictator, such as Shah Mohammed Reza Pahlavi, who was ousted in 1979. He squandered the country’s petrodollars in favor of Western interests and obeyed policies imposed from outside.

For most Iranians living inside the country, the result of a U.S. regime-change policy would lead to another Iraq, Afghanistan or Syria—characterized by anarchy and the disintegration of the country. Iranian society still remembers the uncertainty following the 1979 revolution and the carnage that came during the eight years of the Iran-Iraq war. Stability and security remain the most important aspirations of the nation.

The tendency by Western analysts to believe that Ayatollah Khamenei’s objections to normalizing Iran-U.S. relations are based on an inflexible ideology is misguided and should be discarded. In fact, the supreme leader’s resistance is not rooted in religious feeling; rather it is based on “national pride, identity, and existence.”

After working for three decades within the Iranian administration, I have no doubt that Iran and the supreme leader, who is the ultimate decision maker on foreign policy, would welcome a healthy relationship with the United States based on mutual respect and noninterference and an end to bullying, oppression and hostilities. Iran sees itself as a great country that served as the cradle of civilization and has contributed positively to the world in many fields, including science, medicine, astronomy, mathematics, arts and music. It is this national pride that reinforces a staunch resistance to coming under American dominance or subordination.

But there is still openness in Iran for a balanced relationship. As I explained in my recent book The Iranian Nuclear Crisis: A Memoir, all top three nuclear negotiators during both the Khatami and Ahmadinejad administrations proposed to both the Bush and Obama administrations that the sides engage in a broad dialogue aimed toward rapprochement. It was the United States that declined.
While Iran’s intention for a big deal with the United States is clear, Washington needs to return to Nixonian realism. Only with a new and realistic engagement can it restore trust and bridge the gaps between the two great nations.

The United States and Iran should aim for the kind of sustained and comprehensive talks that have not been seen for the last three decades. It would be prudent for Washington and Tehran to engage in direct talks, at the expert level, prior to the U.S. presidential election in November and the subsequent Iranian presidential election in June 2013. This would allow both sides to prepare the groundwork and strategy for the postelection era. Historic precedent indicates that following their respective presidential elections, both capitals have attempted rapprochement, yet failed in their efforts since there was no prior preparation or coordination.

In response to the far-reaching overtures Iran has made, Washington must put far-reaching proposals of its own on the table. The United States must be ready to recognize Iran’s right to civil nuclear power, including peaceful enrichment, in return for assurances that Iran would remain a non-nuclear state forever. Furthermore, the United States should begin practical cooperation on areas of common interest such as Afghanistan. Issues that matter to both countries should not be held hostage to tensions over Iran’s nuclear program.

If the United States makes the right offer, it is possible to strike a deal that ensures Iran would remain free of nuclear weapons forever. However, Netanyahu continues to assert that Iran is determined to acquire a nuclear weapon and that the diplomatic track has failed. Such allegations are aimed at forcing the international community to decide whether to “bomb Iran” or live with an “Iranian bomb”—in this formulation, the only options are war or containment and deterrence. Both are terrible choices for the United States and the West.

The possibility for a diplomatic resolution is still high and needs to be given a chance. Iran is completely open to a maximum level of transparency with the IAEA and is willing to address all remaining issues, including the IAEA’s concerns about “possible military dimensions” to Iran’s nuclear program. Furthermore, Iran is ready to accept limits on its nuclear-power capacity, including a cap at a 5 percent level of enrichment. We should not let this opportunity for peaceful
settlement become part of ever-growing pile of historical missed opportunities between Iran and the United States.

This realistic approach has a chance if the United States—and not Israel—leads on Iran. Just as the former U.S. undersecretary of state for political affairs Nicholas Burns wrote in a recent op-ed in the Boston Globe, Washington should not “remain hostage to Prime Minister Netanyahu’s increasingly swift timetable for action.” Let us hope the new U.S. president has this wisdom and capability.