Diplomacy During War: Priorities for the Trump Administration

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Brief Analysis

Three former U.S. policy practitioners experienced in negotiating with Iran discuss what kind of agreement is possible, what each side may require to make it happen, and how officials in Washington, Israel, the Gulf states, and Europe should address emerging differences in their objectives.

On April 2, The Washington Institute held a virtual Policy Forum with Emily Harding, Richard Nephew, and Michael Singh, moderated by Atlantic *staff writer Nancy Youssef. Harding directs the Intelligence, National Security, and Technology Program at the Center for Strategic and International Studies and has served in multiple U.S. government posts. Nephew is the Bernstein Adjunct Fellow at The Washington Institute and former U.S. deputy special envoy for Iran. Singh, the Institute's managing director and Lane-Swig Senior Fellow, formerly served as senior director for Middle East affairs at the National Security Council. The following is a rapporteurs' summary of their remarks.*

Emily Harding

Central to any negotiations in the current war is the tension between diverging Israeli, U.S., and Iranian interests. While Israel seeks to eliminate the Iranian threat, Washington wants to disengage, and Tehran feels it must secure an agreement that projects strength to the Iranian people. These differences create a narrow bargaining space that will require significant concessions from each party, complicating the path to a final deal.

Iran knows how to manipulate negotiations to yield favorable results, so the process will likely last numerous weeks. Unlike Washington, Tehran has time on its side and can leverage this to extract concessions. The upcoming U.S. midterm election is one such pressure point the Iranians can exploit by dragging out talks. Even if a negotiated agreement is reached quickly, the extant disruptions to oil production and fertilizer supplies will likely have long-term ramifications—particularly in the Global South, where countries will plant this fall.

Recently, China has "entered the chat" as a potential mediator, though it is unclear if Beijing can play this role effectively. It wants to be seen as a peacemaker and has signaled interest in getting involved with Iran diplomacy, but it seems unwilling to meaningfully act on that ambition and do the

work needed to get results. Meanwhile, European mediators may lack the resources to lift Iran's control over the Strait of Hormuz, potentially yielding an outcome in which ships agree to pay a "toll" to the regime.

In the longer term, the war will draw the Gulf countries and the United States closer together; it might also improve Gulf collaboration with Israel, possibly even expanding the Abraham Accords. At the same time, however, the war has damaged the Gulf's reputation. In attempting to become a hub for high-tech innovation and investment, the Gulf states sought to project an image of modernity to the world, but the war has interrupted those efforts. For example, the cancellations of this year's planned F1 Grand Prix races in Bahrain and Saudi Arabia have tarnished the region's reputation as a stable investment zone.

Regardless of how the war ends, the rift between the Gulf states and Iran will reverberate in the short and long term. Gulf leaders must now consider how weak Iran would need to be before they extend an olive branch. They understand how to manage Gulf-Iran relations better than the United States does, so Washington should engage with them to better understand these regional dynamics.

Richard Nephew

Currently, the war is not presenting any easy paths to a negotiated solution. Both Washington and Tehran believe they have the advantage and are incentivized to keep fighting in order to improve their bargaining position. As they continue escalating, their already narrow zone of potential compromise becomes slimmer. If the United States attacks Iranian energy facilities and desalination plants as President Trump has threatened, Tehran would likely retaliate against similar facilities in the Gulf.

Amid this escalation, allies in the Gulf and Europe are weighing the merits of continued close military ties with the United States. The aftermath of Operation Epic Fury will likely determine whether they believe future American security support is worth the risk of exposure to unpredictable U.S. policy.

When President Trump returned to office last year, he initially signaled that he would continue the "maximum pressure" strategy used against Iran during his first term. Instead, the administration has overseen the most significant oil sanctions relief program since the 2015 nuclear deal. This indicates that Washington is prepared to make meaningful concessions to Tehran, potentially enabling the regime to rearm, reconstitute its proxy network abroad, and maintain its repressive apparatus at home. Despite America's technological superiority and expansive military objectives, it faces limits imposed by political will; in contrast, Tehran's willingness to absorb costs and continue fighting remains largely undiminished even as its capabilities have been degraded. Trump administration officials failed to plan for the contingency that the regime would not collapse or concede rapidly, and they have not yet laid out an alternate military or diplomatic route to victory.

Regarding the situation in the Strait of Hormuz, U.S. policy planners have long understood the risk that Iran could seize control of this chokepoint in the event of full-scale war. Thus far, Washington has been unable to bolster international confidence sufficiently to restore unimpeded transits, lending credence to Tehran's proposal for extracting a toll of $2 million from each oil tanker that passes through the strait. Such a development would be greatly detrimental to U.S. interests, in part because these fees would further enrich Iran's Islamic Revolutionary Guard Corps. Yet the war's far-reaching energy shortages have generated sufficient anxiety that Tehran may be able to force the measure through. In that case, Washington would need to address the ensuing gap in its network of sanctions and determine whether to let that system atrophy.

The Trump administration has also changed its rhetorical positioning on the nuclear file. Both the current conflict and last year's twelve-day war were framed as preemptive measures to prevent the regime from developing a nuclear weapon. Although recent administration statements have claimed that external monitoring will be sufficient to meet that goal, the situation on the ground is sobering: Iran still has stockpiles of high-enriched uranium sufficient for multiple bombs, as well as the capacity and incentive to produce such weapons under a timeline that may be measurable in weeks.

Michael Singh

President Trump has made clear that he wants a negotiated agreement to end the war rather than a scenario in which the United States simply walks away from the conflict. While U.S. military objectives may have largely been achieved, a ceasefire will likely be necessary to advance Trump's broader policy goals—namely, addressing Iran's ballistic missile program, nuclear program, and support for proxy groups, among other things. Tehran does not believe it has lost the war and retains negotiating leverage through its ability to control the Strait of Hormuz. A comprehensive agreement is therefore unlikely in the near term; at best, a limited ceasefire could pave the way for a post-conflict phase, though even that may prove difficult. The U.S. strategy appears aimed at pressuring Tehran into accepting a deal by raising the costs of refusal, including by threatening strikes on power plants and oil infrastructure. For Trump, the dilemma is that failure to secure a deal could mean either deeper military engagement or leaving control of Hormuz in Iran's hands.

U.S. and Israeli objectives may still align, but they differ in emphasis. Washington has focused on degrading Iran's military capabilities, while Israel is intent on weakening the regime itself. A key uncertainty inside Iran is whether internal unrest will emerge after the bombing stops or the regime will remain in control. Israel is likely to oppose any outcome that strengthens the regime, such as restoring oil revenues or offering security guarantees against future Israeli strikes.

For the Gulf Cooperation Council states, the central concern is how Washington exits the conflict, particularly with regard to the Strait of Hormuz. Although they are wary of escalation, they do not want Iran to emerge from the war in a position of strength. Moving forward, GCC states are likely to deepen security ties with Washington and with one another, including expanded arms sales and closer coordination. The conflict is also driving more creative problem-solving in the Gulf, especially on protecting energy infrastructure and countering drone and missile threats. Notably, Saudi Arabia might decide to think more seriously about obtaining a nuclear weapon for its national security strategy.

For now, the United States remains the region's best, and possibly only, defense against Iran. China has not stepped in as a security guarantor, but it is closely watching U.S. military performance and may seek to exploit divisions between Washington and its partners. Trump's suggestion that countries reliant on Gulf energy should secure maritime routes themselves was essentially a challenge to China, though Beijing is unlikely to welcome that role.

Three parallel approaches are emerging to address Iran's de facto seizure of the Strait of Hormuz: coercion aimed at forcing Tehran to reopen the waterway to all traffic, negotiations tied to sanctions relief, and defensive measures such as naval escort missions. More broadly, the conflict is testing U.S. credibility on upholding global freedom of navigation. If Washington appears unwilling or unable to secure key maritime chokepoints, it could have lasting consequences for energy markets and embolden adversaries to threaten or exploit similar routes elsewhere. Most concerning are President Trump's recent remarks suggesting that the United States should not play a central role in the Middle East. This sentiment could be reinforced by a prolonged conflict with Iran, potentially steering the administration away from investing in regional countries where U.S. strategic interests remain significant.

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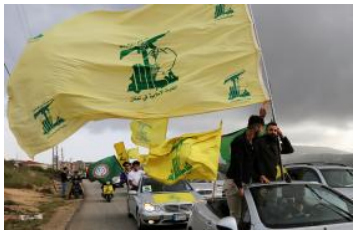

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