

IRAN POLICY MEMO: What Comes Next?

For the past 18 months, Iran has suffered one strategic setback after another. The downward trend began with the Biden Administration successfully defending Israel against two brazen Iranian missile attacks and continued with the degradation of Hezbollah, the fall of Assad, and the devastation of the 12-day war. The most recent challenge for Iran came on September 27, when the E3 (the United Kingdom, France, and Germany) implemented the [snapback mechanism](#), reimposing UN sanctions that had been lifted by the 2015 Iran nuclear deal.

Iran is now weak and vulnerable, yet perhaps as dangerous as ever. The reality is that, despite the operational successes of the past two years, the first Trump Administration's decision to walk away from the Iran nuclear agreement, combined with the recent war between Israel and Iran, means that Iran may be more motivated than ever to pursue a nuclear weapon while maintaining the capability to do so. Absent a renewed diplomatic process, additional conflict seems likely, if not inevitable. However, diplomatic progress is attainable and remains the best approach for addressing the challenges posed by Iran. This memo outlines the current state of affairs, warns against further military action and proposes tangible steps to support diplomacy, reduce tensions with Iran, and increase US and regional security.

Current State of Play

There is a triumphalist attitude in certain hawkish policy corners regarding the recent pressure imposed on Iran. However, an honest assessment of the situation highlights the costly and counterproductive actions taken by the Trump Administration and the Netanyahu government. Despite the Trump Administration's claims that the nuclear program has been obliterated, senior [American](#) and [Israeli](#) officials acknowledge that Iran retains large quantities of highly enriched uranium and advanced centrifuges, now without any IAEA oversight. The ongoing nuclear risk is further heightened by domestic Iranian calls for nuclear breakout in the aftermath of the war, and the considerable knowledge and technical expertise that Iran has developed since President Trump withdrew from the Joint Comprehensive Plan of Action (JCPOA) in 2018.

Beyond the nuclear program, the Iranian government remains relatively stable, perhaps even strengthened, after the 12-day war. Despite Israel's impressive operational successes against Iranian military leadership targets, a new echelon of Iranian military leadership emerged within days, and there is no indication that Iran's military resilience or decision-making has been meaningfully altered. Although its missile program and support for non-state proxies are diminished, Iran continues to project power externally — including through

the Houthis — threatening regional security and commercial interests. Furthermore, the decision to strike Evin Prison and create a “[liberation day](#)” in Iran was an epic blunder that provided the Iranian regime with a significant propaganda victory and underscored just how poorly the Netanyahu government understands the Iranian people.

As this reality sets in, misplaced euphoria about the strikes will fade, and hawks will likely call for additional strikes to “mow the lawn” or “finish the job.” The odds of more conflict are further increased as Iran prepares for a second war with Israel and continues its nuclear escalation following [the snapback of UN sanctions](#). This cycle of escalation will give hawks in Israel, the United States and Iran justification to restart the conflict.

Risk of a Second War is High

The rapid — and likely temporary — off-ramp to the 12-day war obscures the costs of the June conflict. More than [900 Iranians](#) and [28 Israelis](#) were killed, many of them civilians, while thousands of others were injured and displaced on both sides. Around [240 buildings](#) and over [2,000 homes](#) in Israel were damaged or destroyed by retaliatory Iranian strikes. If the conflict restarts, civilians will again be caught in the crosshairs, and innocent lives will be lost in a conflict with questionable strategic upside and significant risk. Counting on a repeat rapid off-ramp is a dubious strategy.

A second war is not only likely — with both Iran and Israel preparing for a second round — but also set to be more intense. There is no written or agreed-upon ceasefire in place and continued peace is largely reliant on Trump holding Netanyahu back. This may work in the short run, but privately, Israeli officials are now referring to the 12-day war as the *first Iran war* and believe the next round will more aggressively target Iran’s missile program and the regime. For its part, Iran is unlikely to be caught as unprepared again.

There is no denying that Iran remains a significant threat to Israel — look no further than Iranian [complicity](#) in the October 7 Hamas attack — but Trump and Netanyahu starting a war with Iran on the pretext of countering the Iranian nuclear threat is strategically reckless. The international community had a working solution to the Iranian nuclear challenge: the JCPOA. The [landmark agreement](#) reached in July 2015 between the Islamic Republic of Iran and the P5+1 (the five permanent members of the UN Security Council: China, France, Russia, the United Kingdom and the United States, plus Germany) did more to restrain the Iranian nuclear program than any aerial campaign ever could. Under the JCPOA, Iran agreed to dismantle much of its nuclear program and allow for more extensive international inspections of its nuclear facilities, in exchange for nuclear-related sanctions relief.

Yet with the support of Netanyahu, Trump abandoned the diplomatic agreement in 2018, setting Tehran back on a path toward a nuclear crisis. Before the 12-day war, Iran’s breakout time decreased from one year, as required by the JCPOA, to [under two weeks](#), and it could produce the nuclear fuel needed for five to six bombs in this two-week period. Even after the strikes, the Defense Intelligence Agency [estimated](#) the strikes set back Iran’s nuclear program by only a few months.

Ultimately, Trump’s withdrawal from the JCPOA in his first term helped create the pretext for bombing Iran in his second term. The net result has been a strengthened Iranian nuclear program — even after the strikes — with a stronger incentive to pursue weaponization, a significant investment of American taxpayer dollars to defend Israel, the endangering of US troops, innocent civilian deaths and an increased risk of a destabilized region.

The Way Forward: Diplomacy, Not Military Action

Renewed diplomacy, not additional military action, should be the obvious path forward for US policymakers. Yet, after initial interest from the Trump Administration in a post-conflict diplomatic revival, neither side seems willing to return to the negotiating table.

Iran appears to be focused on minimizing the damage of snapback sanctions and rebuilding diplomatic and military leverage. The Trump Administration will likely continue to cycle through all Iran-related policy options — maximum economic pressure, military strikes and periodic attempts at diplomacy — with minimal coherence. And the Netanyahu government seems resistant to any form of realistic diplomacy, instead pushing to change the Iranian regime, which is both difficult to achieve and, ironically, made even less likely by clumsy attempts like the Evin prison bombing.

Still, the 12-day war has at least demonstrated the limits of both containment and military action. Israeli security officials have, in the past, [backed](#) a deal to prevent Iran from getting a nuclear weapon. And, with Israel already stretched thin on multiple fronts, in the West Bank, Gaza, Yemen, and beyond, it does not need more fighting with Iran. Nor should Israel drag the US into another endless regime change war in the Middle East that results in a power vacuum and regional instability. Diplomacy is the only sustainable solution to the Iran problem.

J Street recommends the following actions be taken to promote diplomacy over the short, medium and long-term:

- 1. Avoid getting dragged back into war.** The most urgent priority is ensuring fighting does not restart. President Trump has repeatedly campaigned on ending “[stupid forever wars](#)” and needs to be held accountable to this pledge. Trump declared a “[complete and total ceasefire](#)” and the Administration must keep this in mind every time hawks within the United States and Israel start pushing for renewed conflict.
- 2. Continue seeking short-term measures to re-establish full IAEA presence in Iran.** Iran’s stonewalling of the IAEA and potential withdrawal from the NPT are significant concerns. Without the IAEA on the ground inspecting Iran’s nuclear program, the international community has no way to verify that Iran is not developing a nuclear weapon. Therefore, the United States and E3 need to remain open to interim measures through which Iran would resume full cooperation with the IAEA.
- 3. Warn Iran against continued nuclear escalation.** Diplomacy advocates would be well-served to remind Iran against overreacting to snapback and the long-term risk of keeping the IAEA out of Iran. Ultimately, Iran’s actions will give Iran hawks a pretext to restart the conflict. Furthermore, Iran’s previous retaliatory nuclear escalations are a key reason why a return to the JCPOA is no longer viable — its advances in research and development eroded much of the agreement’s original value to the West. Additional nuclear leverage will not advance diplomacy.
- 4. Support a new deal with Iran, but acknowledge that it will have to be different from the JCPOA.** Any future deal will build on the elements and lessons of the JCPOA — almost certainly including nuclear-related commitments in return for nuclear-related sanctions relief. However, although withdrawing from the JCPOA was a catastrophic mistake, Iran’s nuclear advances and the consequences of the direct conflict between Israel and Iran have made a return to the deal impossible. A new agreement will likely need to account for Iran’s nuclear advances, including on weaponization; address other issues related to the Iran-Israel conflict — such as missiles and proxies; and include new partners like the Gulf Cooperation Council states.

5. **Take advantage of the Gulf States' desire to normalize relations and de-escalate tensions with both Israel and Iran.** One of the most significant regional developments of the past decade has been the Gulf States' shift in approach toward Iran — from confrontation to engagement and de-escalation — as they prioritize economic growth and diversification. Similarly, both Israel and Iran are seeking further integration with the Gulf. The United States, working with the Gulf States, should leverage these trends to incentivize both Israel and Iran to de-escalate their regional competition. Indeed, such an approach would complement a broader strategy that pursues a 23-state solution — comprehensive regional peace between Israel and all its neighbors, and establishing a Palestinian state.
6. **Define the endgame.** Finally, American, Israeli, European and Arab policymakers — both governmental and non-governmental — must engage in honest conversations about the ultimate objectives of Iran policy. Is the goal Netanyahu's fanciful and counterproductive vision of regime change? Is it perpetual conflict? If not, then the US and Israel need to begin a dialogue regarding what a realistic Iran agreement looks like and how the Israel-Iran relationship can be rebalanced. The United States must also clarify its own objectives: What are our top priorities in a deal with Iran, what is achievable and how best to pursue these goals?