

# No Deal, No War Is Still Trump's Way Out of the Iran Catch-22



by Riccardo Alcaro

- The US-Iran memorandum addresses the urgent need to end the war and reopen the Strait of Hormuz but leaves most contentious issues unresolved.
- A long-term US-Iran nuclear agreement remains improbable because the Trump Administration lacks the diplomatic and technical capacity required for complex negotiations, while facing constant pressure from Israel and its supporters to reject compromises.
- A plausible escape from the future impasse is a regional effort to engage Iran in security and economic arrangements that preserve the memorandum's benefits without a final deal.

When the United States and Israel attacked Iran on 28 February, Washington and Tehran were in the midst of negotiations over the latter's nuclear programme. US President Donald Trump ultimately opted for military action after deeming inadequate the **Iranian proposal** to dilute approximately 440 kilogrammes of uranium enriched to 60 per cent, a level for which no civilian application exists and very close to the 90 per cent required for a nuclear warhead, and to commit not to stockpile enriched uranium in the future in exchange for sanctions relief.

Owing to the inability of his negotiators – his son-in-law Jared Kushner and his business associate and ubiquitous special envoy Steve Witkoff – to grasp the **technical significance** of the Iranian proposal, Trump allowed himself to be



**persuaded** by Israeli Prime Minister Benjamin Netanyahu to choose the military option. After all, the Islamic Republic appeared fatally weakened by Israel's devastating campaign against its ally Hezbollah in Lebanon in 2023-24, the heavy Israeli-American **bombing campaign** of June 2025, and the collapse of what little remained of its domestic legitimacy following the **massacre** of thousands of protesters in January of this year.

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Just over one hundred days later, thirty-eight of them marked by high-intensity combat, the American president is celebrating a skeletal **memorandum of understanding**, the so-called Islamabad memorandum, that delivers much less than what he could have obtained before the war.

### Concessions vs commitments

Iran will immediately benefit from temporary relief from US sanctions on the export of crude, oil products and derivatives, as well as from the unfreezing of billions of dollars in its own assets held abroad. In exchange, Iran has committed to address all nuclear-related issues of concern in the course of a broader US-Iran negotiation over a long-term, final agreement. While the memorandum states that the 440 kilogrammes of 60 per cent enriched uranium will be disposed of, it adds no specifics. It is even vaguer on what will happen to Iran's remaining uranium stocks and nuclear facilities, although it does mention the need to reinstate an inspection regime by the International Atomic Energy Agency, and is silent on Iran's ballistic arsenal.

US concessions, however limited and temporary, now come before Iran takes concrete action on nuclear issues, not after. This

is a striking development, as the United States has historically been extremely reticent, if not adamantly opposed, to ease sanctions pressure in exchange for commitments only. The reason for Washington giving in is that the war has lent Iran the new, cheaper and more powerful lever of control over the Strait of Hormuz.

Ensuring safe passage through the only maritime lane of the Persian Gulf region, where a fifth of internationally traded oil and liquefied natural gas transited before the war, has been perhaps the most important and certainly the most urgent priority that has driven the US Administration to sign off on the memorandum. Iran has agreed to let transport restart. But even here the United States has given in some ground. Not only has it lifted the naval blockade on Iranian ports, but it has also accepted that the memorandum mention "administration and maritime services" in the Strait that Iran would agree with Oman and other littoral states. The wording has been carefully crafted to reflect the Iranian expectation of obtaining service fees for free passage as a not-too-disguised form of toll.

The memorandum is a preliminary arrangement that is expected to pave the way for a long-term agreement after sixty days of negotiations, so any definitive judgment should be postponed. Yet it does define the terms on which the war has formally ended, which allows for a broader assessment of the strategic wisdom – or folly – of Trump's decision to attack Iran, setting aside questions of ethics and international legality, on which a guilty verdict is beyond dispute.

### Unrealistic goals

It is arduous to draw any other conclusion than that the war has ended in failure for the United States. Trump rejected the diplomatic route because he was convinced that military action would yield **far more glorious results**: anything from the collapse of the Islamic Republic to a foreign-policy realignment along the lines of the leadership decapitation strategy successfully pursued in Venezuela. Even if the regime



survived and maintained its anti-American orientation, the destruction of its military capabilities, especially missile forces, as well as its industrial base would, it was assumed, compel Tehran to moderate its behaviour, perhaps even accept **unconditional surrender**. And all this was expected to be achieved through an intervention lasting only a few days or weeks and imposing minimal costs on the aggressors.

Regime change in Iran, particularly in the absence of a ground invasion, was always a **chimera**. Equally unrealistic was the prospect of replicating the Venezuelan model, where the regime in Caracas aligned itself with Washington following the capture of former president Nicolás Maduro by US special forces, in a system as institutionalised and deeply rooted as the Islamic Republic. The possibility of destabilising Iran, on the other hand, appeared more plausible given overwhelming US-Israeli firepower. But here too the outcome fell far short of expectations. To be sure, Iran showed a degree of military resilience that few, not only the Israeli and US governments, were anticipating. However, that the regime would abandon any restraint, regionalise the conflict and attempt to shut down Hormuz if faced with an existential threat was amply predictable.

The Iran with which Trump has now signed the Islamabad memorandum is not merely governed by a **new leadership** that seamlessly replaced the one eliminated by Israeli airstrikes and keeps professing adherence to the Islamic Republic. It is a functioning state that never lost the ability to respond militarily to attacks and that, by closing the Strait of Hormuz and expanding the conflict to Arab countries hosting **American military bases**, demonstrated a capacity to seize the initiative and recover influence. The war has inflicted further suffering on an Iranian population already burdened by decades of authoritarian rule and sanctions, but politically the regime is now more secure and strategically Iran less vulnerable than it was in February.

## Change of calculus

America's strategic defeat extends further. Launching a war with no legal justification and utter inadequate preparation, and one that has inflicted economic harm on half the world, has **nearly destroyed** trust in the Trump Administration and tarnished the prestige of the US armed forces. Allies and partners now have compelling reasons to engage in hedging exercises, relying on Washington when they must but diversifying their options when they can.

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Among the potential beneficiaries is **China**, which can provide trade and investment but also a stability-oriented counterweight to Trump's disruptive policies of unilateralism, tariffs and military interventions. The government in Beijing, just like the one in Moscow, has also benefitted from the chance to study American **military performance** and gain valuable insights into its operational and industrial limitations.

The most immediate consequences of these dynamics are, of course, felt in the Gulf region. Iran (around 3,000) and Lebanon (3,700) have borne most of the **human losses**. But damage to **infrastructure** worth hundreds of billions of dollars has affected **Arab countries** too. Qatar, the United Arab Emirates and to an extent Saudi Arabia have all experienced first-hand the high vulnerability of their development model based on trade, investment and highly skilled workforce from abroad, as well as affluent tourists. The war has also exposed the unsustainability of linking pressure on Iran to the normalisation of relations with Israel under the framework of the **Abraham Accords**. These agreements have provided neither the Emirates



nor Bahrain – the first, and thus far only, Gulf states to join them – with any additional protection from the United States, let alone Israel. The conclusion most regional countries have drawn is that the combination of US unreliability and Israeli belligerence warrants a different approach to Iran.

*Patience is the virtue of the strong and what Trump has shown so far is more hardness, often cruelty, than strength*

Although Iran's bombing of targets on their territory has generated considerable resentment in Arab capitals, there has emerged a pragmatic interest in a *modus vivendi* with Tehran capable of guaranteeing long-term stability. This interest is widely shared by countries adjacent to the region – from Egypt and Turkey to Pakistan, which alongside Qatar has provided mediation. It is increasingly felt beyond the region as well, from the Asia-Pacific to Africa and Europe.

In other words, the war has transformed a generic and somewhat abstract concern such as the security of Hormuz into an almost global strategic priority. Trump insists that he retains complete freedom of action during the negotiation initiated by the memorandum, including resorting again to force. However, the stakes are now so high as to discourage renewed aggression, for which the US president also enjoys **little domestic support**.

In a sense, Trump is therefore 'forced' to seek a long-term agreement with an overconfident Iranian government unwilling to give too much ground, while constantly facing the risk that Israel and its supporters in Congress derail negotiations by insisting on demands unacceptable to Tehran and by reigniting hostilities against Hezbollah in Lebanon. The **exchange of fire** occurred on the very day direct US-Iranian negotiations were supposed

to start, provoking their postponement, is just a measure of what has yet to come for the Trump Administration.

**Patience is the virtue of the strong**

The historical record suggests that Trump can strike short-term deals that he can paint as major achievements with little interest in the details – or lack thereof. In these terms, the Islamabad memorandum is not that far from the declaration on the **Korean Peninsula's denuclearisation** he released along with North Korean leader Kim Jong-un or the **Phase One** trade deal with China he struck in his first term.

The difference with these past agreements is that failing to follow through on the Iran memorandum would be of much greater consequence. The problem is that Trump and his entourage seem poorly equipped to conduct negotiations that are at once politically sensitive and technically complex, such as those concerning Iran's nuclear programme, let alone within the mere sixty days envisaged by the memorandum. They do not have the strategic vision, diplomatic acumen and technical expertise required to strike complex deals with adversaries. In addition, any compromise with Iran would expose Trump to a barrage of criticisms on the part of Israel's supporters, who are dwindling amongst the **public** but remain numerous in **Congress**. Trump possesses a penchant for political fighting but lacks the patience he would need to win the argument against his critics before the US public. Patience is the virtue of the strong and, despite his protestations to the contrary, what Trump has shown so far is more hardness, often cruelty, than strength.

**Strategic retreat after strategic defeat?**

All this makes the successful conclusion of a final agreement with Iran unlikely. While Trump would have no qualm in laying the blame for the lack of progress entirely on Iran,



he would still face the tough choice of restarting a costly and unpopular war. He could not have to make it, though. The Arab states and their partners – from Turkey and Pakistan to extra-regional actors such as China and, hopefully, Europe too – will have a strong incentive to keep Iran engaged and extend the most critical components of the Islamabad memorandum indefinitely. The Trump Administration could, if not endorse, not oppose such efforts.

If multilateral regional engagement of Iran were to keep Hormuz open, Iran's nuclear programme inactive and sanctions relief by the United States in place, then the risk of renewed conflict could be contained for some time even

if US-Iranian talks fail to deliver. Such a 'no deal, no war' scenario would remain prone to collapse due to political forces in Israel and Iran pulling in opposite directions. But it would still give Trump a way to extricate himself from what could soon look like a catch-22 situation.

The president could perhaps save his political fortunes, though at a high price. By first choosing war and then proving unable to build peace, Trump would preside over a significant strategic retreat of the United States in the Gulf – the latest tragic irony of a president who prides himself on having made America great again.

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