

Iran's Dual Strategy in the Middle East: Proxy Warfare, Nuclear Ambitions, and Strategic Recalibration

Orta Doğu'da İran'ın İkili Stratejisi:

Vekâlet Savaşı, Nükleer Hırslar ve Stratejik Yeniden Yapılanma

Habib BADAWI*

Abstract

Iran's foreign policy in the Middle East is characterized by a dual strategy of proxy warfare and nuclear ambitions, which together form the backbone of its regional influence. The strategic landscape shifted dramatically following the events of October 7, 2023, and the subsequent 2024 setbacks, including the fall of the Assad regime in Syria and the significant degradation of Hezbollah's capabilities, which challenged but did not fundamentally negate this dual strategy. Rather, these developments compelled a strategic recalibration that reveals both the resilience and the inherent vulnerabilities of Iran's approach. This analysis employs a focused theoretical framework integrating neorealist security dilemma theory and regime survival theory as primary analytical lenses, complemented by strategic culture theory to contextualize ideological constraints. The findings reveal that Iran's proxy network strategy creates strategic depth and asymmetric deterrence capabilities, while its nuclear program serves as a long-term deterrent against regime change. While the "Unification of Arenas" strategy suffered significant disruption in 2024, Iran's strategic posture has demonstrated adaptive resilience through accelerated nuclear advancement and reconstitution efforts across remaining proxy theaters. However, this dual approach also generates escalating regional militarization and alliance formation against Iranian interests, creating a security dilemma that may ultimately undermine Iran's objectives.

Keywords: Asymmetric Deterrence, Iran Nuclear Program, Middle East Security, Proxy Warfare, Regime Survival

Öz

İran'ın Orta Doğu'daki dış politikası; bölgesel nüfuzun temel eksenlerini oluşturan vekâlet savaşı ve nükleer hırslar olmak üzere ikili bir strateji ile şekillenmektedir. 07 Ekim 2023 sonrasında yaşanan Suriye'de Esad rejiminin yıkılışı ve Hizbullah'ın askerî kapasitesinin ciddi ölçüde aşınması gibi gelişmeler bu ikili stratejiyi temelden geçersiz kılmamıştır. Aksine, İran'ı yaklaşımının güçlü ve kırılğan yönlerini açığa çıkaran stratejik bir yeniden yapılanmaya zorlamıştır. Bu çalışma, neorealist güvenlik ikilemi teorisi ve rejim hayatta kalma teorisini temel analitik çerçeve olarak benimserken stratejik kültür teorisini ise ideolojik kısıtlamaları bağlamlandırmak amacıyla tamamlayıcı bir lens olarak kullanmaktadır. Tüm bunlardan hareketle bulgular, İran'ın vekâlet ağı stratejisinin stratejik derinlik ve asimetrik caydırıcılık kapasitesi yarattığını; nükleer programın ise rejim değişikliğine karşı uzun vadeli bir caydırıcı işlev gördüğünü ortaya koymaktadır. "Arenaların Birleştirilmesi" stratejisi 2024'te önemli aksaklıklara uğramış olsa da İran, hızlandırılmış nükleer ilerleme ve kalan vekâlet tiyatrolarındaki yeniden yapılanma çabaları aracılığıyla uyumsal bir direnç sergilemiştir. Bununla birlikte, bu ikili yaklaşım bölgesel askerleşmeyi tirandırmakta ve İran'ın hedeflerini nihai olarak zayıflatabilecek bir güvenlik ikilemi doğurmaktadır.

Anahtar Kelimeler: Asimetrik Caydırıcılık, İran Nükleer Programı, Orta Doğu Güvenliği, Rejim Hayatta Kalması, Vekâlet Savaşı

* Prof. Dr., Lebanese University,
Department of History, Beirut,
Lebanon
e-mail: habib.badawi@ul.edu.lb,
habib.badawi@gmail.com
ORCID: 0000-0002-6452-8379

Geliş Tarihi / Submitted:
01.07.2025

Kabul Tarihi / Accepted:
15.04.2026

Introduction

Iran's foreign policy in the Middle East combines proxy warfare and nuclear ambitions as dual pillars of regional influence, simultaneously revealing profound tensions between the country's aspirations for regional dominance and the management of substantial internal vulnerabilities. The Islamic Republic has cultivated a network of proxy forces across multiple theaters, including Hezbollah in Lebanon, various Shia militias in Iraq and Syria, and, to a more qualified degree, the Houthi movement in Yemen. While the term "proxy" encompasses relationships of varying depth—from the highly institutionalized command-support relationship with Hezbollah to the more autonomous, interest-convergent alignment with the Houthis, whose indigenous origins and independent decision-making capacity complicate straightforward categorization—these connections collectively provide Iran with extended strategic reach and asymmetric capabilities unattainable through conventional military means alone. The period from October 7, 2023, through 2024 represented a critical stress test of this dual strategy: Hezbollah in Lebanon suffered unprecedented leadership losses and military attrition during the Israeli military campaign of autumn 2024, while the Assad regime—a cornerstone of Iran's "axis of resistance"—collapsed in December 2024 following a rapid offensive by opposition forces. These developments did not invalidate Iran's dual strategy but rather exposed its structural vulnerabilities and accelerated its recalibration toward nuclear advancement as the more durable pillar of deterrence. Concurrently, Iran's nuclear program—a source of ongoing international contention—serves as what the regime characterizes as a deterrent against external intervention and regime change.

The fundamental tension between Iran's regional influence objectives and its internal challenges represents a recurring theme in its foreign policy calculations. Iran seeks to project power across the Middle East through support for proxy groups in Lebanon, Syria, Iraq, and Yemen, positioning itself as a counterweight to the United States (U.S.) and Israeli influence in the region. Geographically, this strategy translates to establishing a corridor of influence extending from Tehran through Iraq and Syria to Lebanon, while simultaneously creating pressure points in Yemen and the Gulf. The country's leadership faces the challenge of navigating domestic pressures—including economic sanctions, political dissent, and the need to maintain revolutionary legitimacy—while simultaneously projecting power beyond its borders. The regime's legitimation strategies have evolved to incorporate both ideological and pragmatic elements, with external conflicts serving as a unifying force during periods of domestic discord (Maloney, 2015, pp. 78-82). Revolutionary legitimacy, in the Iranian context, refers to the regime's foundational claim to govern based on the principles of the 1979 Islamic Revolution—particularly the concepts of resistance to foreign domination, support for oppressed Muslims, and opposition to Western hegemony. The dynamic interplay between these internal constraints and external pressures creates a foreign policy landscape characterized by strategic flexibility, tactical opportunism, and ideological consistency.

In this regard, this study aims to analyze the effects of changes in U.S. policy towards Iran's nuclear program on the sustainability of Iran's dual strategy of proxy warfare and nuclear development, especially in light of the strategic setbacks of 2023-2024 and their implications for regional security architecture. The study also seeks to address the following sub-questions: (1) Through what mechanisms do recent U.S. sanctions and diplomatic postures influence Iran's strategic calculations regarding its nuclear program and proxy networks? (2) How does Iran's resistance economy enable regime survival under sustained international pressure? (3) What role does the International Atomic Energy Agency (IAEA) play in mediating the tension between verification imperatives and diplomatic engagement?

(4) How have the strategic setbacks of 2023-2024 affected the structural coherence of Iran's "Unification of Arenas" strategy, and what adaptive responses has Tehran pursued?

In response to main and sub-research questions, this study provides a systematic understanding of how U.S. policy decisions, international diplomatic efforts, and nuclear non-proliferation initiatives shape the geopolitical landscape of the Middle East. The research is particularly timely given recent developments in U.S.-Iran relations, including the implementation of National Security Presidential Memorandum NSPM-2 and the IAEA's reports documenting Iran's expanded nuclear activities (IAEA, 2024). It is equally timely given the seismic regional shifts following October 7, 2023, which fundamentally altered the operational landscape for Iran's proxy strategy and necessitated a reassessment of the strategy's sustainability.

1. Theoretical Framework

1.1. *Security, Survival, and Culture in Iranian Foreign Policy*

This analysis employs a streamlined theoretical framework that integrates three complementary perspectives: neorealist security dilemma theory as the primary analytical lens, regime survival theory to explain domestic-international linkages, and strategic culture theory to contextualize ideological constraints on policy options. Together, these frameworks provide a multi-layered explanation of Iranian strategic behavior that neither purely material nor purely ideational approaches could yield in isolation.

Neorealist security dilemma theory provides the foundational framework for understanding Iran's dual strategy. States in an anarchic international system inevitably seek to maximize their security through power accumulation, which paradoxically can diminish their security by triggering counterbalancing mechanisms (Waltz, 1979, pp. 102-128). This theory explains Iran's simultaneous pursuit of conventional deterrence through proxy networks and nuclear capabilities as a classic security dilemma response to perceived existential threats. Defensive realism offers additional insights: the "axis of resistance," encompassing proxy groups such as Hezbollah, the Houthis, and various Shia militias, functions as a "defense in depth" strategy enabling Iran to project power beyond its territorial boundaries while avoiding direct military confrontation with adversaries possessing superior conventional capabilities (Walt, 1987, pp. 21-26).

Regime survival theory provides a complementary perspective on Iran's foreign policy motivations. Scholars have documented how authoritarian regimes strategically employ external conflicts to legitimize internal repression and consolidate power structures (Przeworski, 2023; Wright & Bak, 2016). In Iran's case, external power projection is linked to internal regime consolidation through multiple reinforcing mechanisms. The Iranian leadership engages in "omnibalancing," which involves the simultaneous management of domestic and international threats (David, 1991, pp. 233-256). External conflicts justify internal security measures, provide explanations for economic hardship, and maintain revolutionary ideological legitimacy when the regime faces internal challenges.

Strategic culture theory offers a third critical dimension for understanding Iran's foreign policy orientation. Iran's distinctive approach to regional conflicts and nuclear ambitions is shaped by a strategic culture that synthesizes Persian imperial history, Shia religious identity, and revolutionary ideology. Iran's experiences with foreign interventions—including the 1953 coup against Mossadegh, support for Iraq during the Iran-Iraq War, and ongoing U.S. military presence in the region—have created deep suspicion of external security guarantees

and a preference for self-reliance (Ghazvinian, 2021, pp. 45-67, 234-256). This historical memory is reinforced by the religious-ideological framework of the Islamic Republic, which emphasizes the concept of “resistance” (*muqawama*) against perceived hegemonic powers as a core principle (Sadjadpour, 2018, pp. 14-18). This ideological framework not only legitimizes Iran's support for proxy groups but also constrains its diplomatic options in ways that purely interest-based analyses might overlook. Table 1, as our theoretical framework, integrates three analytical lenses applied to Iran's dual strategy.

Table 1. Streamlined Theoretical Framework

Theory	Key Concept	Application to Iran's Dual Strategy
Neorealist Security Dilemma (Waltz, 1979; Walt, 1987)	States seek security through power accumulation, paradoxically triggering counterbalancing	Iran's proxy warfare and nuclear development as responses to perceived existential threats; “defense in depth” via proxies extends the defensive perimeter
Regime Survival Theory (David, 1991; Przeworski, 2023; Wright & Bak, 2026)	Authoritarian regimes employ external conflicts to legitimize internal repression and consolidate power	Iran's “omnibalancing” approach managing both domestic and international threats; external conflicts justify internal security measures and economic hardship
Strategic Culture Theory (Ghazvinian, 2021; Sadjadpour, 2018)	Foreign policy shaped by historical memory, religious identity, and revolutionary ideology	Historical experiences with foreign intervention creating deep suspicion of external guarantees; concept of “resistance” as ideological foundation constraining diplomatic options

2. Methodology

This analysis employs a qualitative approach integrating multiple theoretical frameworks to examine Iran's foreign policy calculations and their implications. The study draws upon historical context, detailed case studies of Iran's proxy activities in Iraq, Syria, Lebanon, and Yemen, and analysis of international agreements, particularly the Joint Comprehensive Plan of Action (JCPOA). The U.S. withdrawal from the JCPOA in May 2018 was characterized by the administration as a rejection of an “unacceptable” agreement that failed to address Iran's broader destabilizing activities (Trump, 2018). Four primary cases representing Iran's proxy relationships were selected on the basis of three criteria: documented Iranian material support; strategic significance to Iran's regional position; and variation in relationship depth and formalization, allowing for comparative analysis. Hezbollah in Lebanon (1982-present) serves as Iran's most mature and sophisticated proxy relationship and as the organizational and operational template for subsequent relationships. Iraq's Popular Mobilization Forces (2003-present) demonstrate Iran's adaptation of the proxy model to a fragmented state context, where militia integration into formal security structures creates enduring influence channels. Syria's Assad regime support (2011-2024) illustrates Iran's willingness to commit substantial resources to preserve a crucial strategic ally—and, critically, permits analysis of the strategic implications of the regime's collapse in December 2024. Yemen's Houthi movement (2014-present) demonstrates Iran's ability to project influence with minimal investment, creating strategic dilemmas for regional rivals.

The methodology incorporates process tracing to identify causal mechanisms linking U.S. policy decisions with changes in Iran's nuclear activities and regional behavior. Process tracing involves detailed examination of the causal chain connecting independent variables (U.S. policy shifts) to dependent variables (Iranian strategic responses).

The 2018 U.S. withdrawal from the JCPOA provides a clear illustrative case (Kamel, 2018). The initial condition—the May 2018 withdrawal announcement and reimposition of sanctions—triggered Iranian domestic debates between compliance and retaliation through November 2018, with hardliners arguing that JCPOA compliance without economic benefits was strategically untenable. By May 2019, Iran announced its first formal reduction in JCPOA commitments, incrementally increasing enrichment levels. Progressive escalation followed through 2019-2020, during which enrichment rose to 4.5% and then 20%, and prohibited centrifuges were reactivated. By 2024, Iran was enriching uranium to 60% purity, with its stockpile exceeding JCPOA limits tenfold and breakout time reduced from approximately one year to potentially months. This causal sequence—U.S. withdrawal, elimination of compliance incentives, domestic political shift toward hardliners, incremental reduction of constraints, and near-threshold nuclear capability—illustrates how each U.S. policy shift generated a distinct and measurable strategic response from Tehran, culminating in a near-threshold nuclear posture and expanded proxy mobilization.

The study employs comparative analysis across three dimensions. A temporal comparison contrasts Iran's nuclear program trajectory under JCPOA compliance (2015-2018) with post-withdrawal escalation (2018-present) to isolate the impact of U.S. policy changes. A domain comparison evaluates the differential impacts of sanctions across nuclear development, economic resilience, and proxy warfare to assess strategic trade-offs. A regional comparison examines Iran's proxy relationships across different theaters to identify common patterns and context-specific variations. Analytical rigor is maintained through the cross-verification of findings across multiple source types and theoretical perspectives. A concrete illustration: an analysis of Iran's post-October 7 strategic behavior initially suggested, based on official Iranian statements alone, a posture of controlled escalation management. Cross-verification with IAEA technical reports and regional intelligence assessments revealed, however, that Iran simultaneously accelerated uranium enrichment activities during this period—a finding that complicates the official narrative and points toward a dual-track response where public de-escalation rhetoric accompanied covert nuclear advancement. This cross-verification produced a more nuanced analytical conclusion than single-source analysis would have permitted. Data sources include IAEA comprehensive safeguards reports (IAEA, 2024), peer-reviewed scholarship in international relations and security studies, regional government statements, U.S. government policy documents including Executive Orders and Presidential Memoranda (The White House, 2025), and Treasury Department sanctions designations (U.S. Department of the Treasury, 2025), as well as credible investigative journalism (Sanger, 2025).

3. Results

3.1. *Iran's Security Environment and Strategic Logic*

Before examining Iran's proxy networks, it is essential to understand the threat perceptions that drive them, for these perceptions translate directly into specific strategic choices. Iran's leadership views comprehensive international sanctions not merely as economic pressure but as a deliberate form of warfare designed to create internal instability and precipitate regime change through economic collapse—a perception that directly drives the “resistance economy” strategy and the deepening of ties with China and Russia. Simultaneously, potential military action by the U.S. and Israel is viewed as an existential threat to regime survival, rooted in both hostile rhetoric and documented action, including assassinations of nuclear scientists, cyberattacks, and alleged sabotage operations; this perception causally drives the

nuclear threshold strategy as the most credible deterrent against regime change (Eisenstadt, 2024, pp. 112-115). Regional rivals, particularly Saudi Arabia and the United Arab Emirates (UAE), are considered both geopolitical competitors and ideological challengers to Iran's revolutionary model, driving proxy investment to demonstrate continued resistance. Finally, Iran perceives itself surrounded by U.S. military bases and allied states—a containment environment that directly underpins the “strategic depth” doctrine of establishing a durable presence in neighboring countries.

Iran's strategic responses reflect these threat perceptions in a coherent, if inherently tensional, architecture. Unable to match U.S. or Israeli conventional military capabilities, Iran has developed asymmetric capabilities through proxy networks and missile programs designed to impose disproportionate costs on adversaries. The nuclear program operates simultaneously as a denial strategy—maintaining the technical capacity for rapid weaponization if existential threats materialize, thereby deterring regime-change scenarios—and as the ultimate backstop of Iran's deterrence posture (Eisenstadt, 2024, pp. 112-115). By establishing presence in neighboring countries, Iran creates buffer zones and complicates adversaries' military planning by forcing consideration of multiple theaters simultaneously, giving concrete form to the “strategic depth” doctrine. This causal architecture explains not merely what Iran does but why it does it—and why the 2024 setbacks, while severe, have prompted strategic recalibration rather than strategic abandonment.

3.2. The Anatomy of Iran's Proxy Networks

Iran's proxy strategy has evolved significantly since the establishment of the Islamic Republic in 1979, transforming from ideologically driven revolutionary expansion into a multidimensional approach to regional power projection. These relationships are coordinated primarily by the Islamic Revolutionary Guard Corps (IRGC), particularly its Quds Force, which implements Iran's regional strategy. The evolution reflects both strategic adaptation and ideological continuity: in the immediate aftermath of the 1979 revolution, Iran's support for non-state actors was primarily driven by ideological considerations, but this approach has gradually incorporated pragmatic security calculations alongside ideological affinity (Byman, 2003).

The events of 2023-2024 subjected this network to its most severe stress test since its formation. The October 7 Hamas attacks triggered a cascading regional conflict that—while initially appearing to validate the “Unification of Arenas” concept—ultimately exposed critical vulnerabilities in the network's resilience. The degradation of Hezbollah and the loss of the Syrian theater represent significant strategic setbacks that have fundamentally altered the operational parameters of Iran's proxy strategy, though they have not eliminated it. Table 2 illustrates key Iranian proxy relationships that reflect recent developments through early 2025.

Table 2. Key Iranian Proxy Relationships

Proxy Group	Location	Established	Key Capabilities	Strategic Value / Current Status
Hezbollah	Lebanon	Early 1980s	Precision-guided missiles, intelligence capabilities, political influence; significantly degraded following 2024 Israeli campaign	Provides strategic depth against Israel; severely weakened by leadership assassinations (including Secretary-General Nasrallah, September 2024) and IDF ground operations; in reconstitution phase as of 2025
PMF Groups (Kata'ib Hezbollah, Asa'ib Ahl al-Haq, Badr Organization)	Iraq	Post-2003	Military operations, political influence	Addresses security concerns while extending influence; integration into Iraq's security forces creates enduring channels
Pro-Assad Forces & Recruited Militias	Syria (theater lost)	2011-2024	Military operations, territorial control; capabilities evacuated or destroyed following Assad's fall	Assad regime collapsed December 2024 following HTS-led offensive; Iran lost permanent military bases and the vital land corridor to Hezbollah; represents most significant strategic setback of 2024
Houthi Movement	Yemen	Recent alliance	Drone and missile capabilities, territorial control	Projects power into Arabian Peninsula with modest investment; post-October 7, escalated maritime disruption in Red Sea targeting Israel-linked vessels; now Iran's most operationally active proxy theater following Syria's loss

a. Lebanon, the Hezbollah Template, and its 2024 Crisis: Lebanon hosts Iran's most sophisticated proxy relationship through Hezbollah, which evolved from a resistance movement into a dominant political and military force within Lebanon's fragmented political landscape. Hezbollah's arsenal of precision-guided missiles, sophisticated intelligence capabilities, and political influence made it the cornerstone of Iran's proxy network (Byman, 2003, p. 58). The period between October 2023 and late 2024 fundamentally altered this standing. Following the Hamas attacks on October 7, 2023 and the subsequent Israeli military campaign in Gaza, Hezbollah engaged in sustained exchanges of fire along the Lebanon-Israel border. In September-October 2024, Israel conducted a devastating offensive that included the assassination of Secretary-General Hassan Nasrallah and much of Hezbollah's senior military leadership, large-scale strikes on weapons depots, and a ground incursion into southern Lebanon. Hezbollah's short-range rocket and precision missile inventory was substantially depleted, and its command-and-control infrastructure severely disrupted. A ceasefire brokered in November 2024 left Hezbollah significantly weakened and under international pressure to withdraw from the border area. From Iran's strategic perspective, this situation represents not the destruction of the proxy relationship but a severe degradation requiring years of reconstitution—and a period during which Hezbollah's role as Iran's primary deterrent against Israel is substantially diminished.

b. Iraq and the Institutionalized Approach: In Iraq, Iran has cultivated deep relationships with multiple Shia militias that have played roles both in combating Islamic State of Iraq and Syria (ISIS) and in shaping the country's political landscape. Groups such as Kata'ib Hezbollah, Asa'ib Ahl al-Haq, and the Badr Organization have received substantial Iranian support, including training, weapons, and financial assistance. These relationships

exemplify Iran's "omnibalancing" approach, simultaneously addressing external security concerns while extending its influence into neighboring states (David, 1991, pp. 240-245). The integration of these militias into Iraq's security forces through the Popular Mobilization Forces (PMF) framework represents a significant achievement for Iranian strategic planners, blurring the lines between state and non-state actors and creating enduring channels of influence that transcend formal diplomatic relations.

c. Syria, Strategic Investment, and its Collapse: Iran's support for the Assad regime represented one of its most significant and costly foreign policy commitments—and its most consequential strategic loss of 2024. The Assad regime's fall in December 2024, following a rapid offensive by Hayat Tahrir al-Sham (HTS) and allied factions, constitutes a fundamental challenge that requires direct analytical engagement rather than parenthetical acknowledgment. Beyond direct military and economic assistance to the Syrian government, Iran had facilitated the deployment of Hezbollah fighters and recruited Shia militias from Afghanistan, Pakistan, and Iraq to fight in support of the regime. Iran's investment in Syria represented a strategic depth calculation, preventing the fall of a crucial ally while maintaining a vital link to Hezbollah in Lebanon (Sadjadpour, 2018, p. 14). The regime's collapse severs the land corridor between Iran and Hezbollah that was central to the "Unification of Arenas" strategy and eliminates Iran's permanent military bases in Syria. The argument of this paper is not that these setbacks are insignificant—they are substantial—but rather that they still support the dual strategy framework. The Assad collapse accelerates an existing trend in Iranian strategic thinking: the increasing prioritization of the nuclear program as the more durable and less reversible pillar of deterrence, one that does not depend on the survival of any particular allied government. In this sense, the Syrian loss paradoxically strengthens the analytical case for the nuclear program as Iran's ultimate strategic hedge.

d. Yemen and the Cost-Effective Pressure Point: In Yemen, the Houthi movement has emerged as a strategically valuable ally, allowing Iran to project power into the Arabian Peninsula with relatively modest investment. Following October 7, 2023, the Houthis significantly escalated their regional role, launched drone and missile attacks targeting Israel, and conducted a sustained campaign of maritime disruption in the Red Sea that threatened international shipping lanes and drew U.S. and British military responses. This escalation demonstrated both the utility and the limitations of Iran's Yemen proxy: the Houthis proved capable of imposing disproportionate strategic costs on adversaries, but their actions also drew unprecedented direct military pressure on the group. The relationship allows Iran to counterbalance Saudi influence in the region while imposing disproportionate costs on its rivals (Walt, 1987, pp. 147-152). With the Syrian theater lost and Hezbollah in reconstitution, Yemen has become Iran's most operationally active proxy theater—a strategic rebalancing that underscores the adaptive resilience of the overall network.

4. The Nuclear Trajectory

Iran's nuclear program has remained a focal point of international attention since the early 2000s, representing both a technical achievement and a diplomatic challenge. From the signing of the JCPOA in 2015 to the present, Iran's nuclear activities have alternately served as a catalyst for diplomatic engagement and a source of international tension. The U.S. withdrawal from the agreement in 2018 under the Trump administration and the subsequent reimposition of comprehensive sanctions fundamentally undermined the deal's effectiveness and precipitated a new cycle of escalation (Kamel, 2018). In this regard, Table 3 reveals the timeline of key nuclear developments in Iran from 2015 up to early 2025.

Table 3. Timeline of Key Nuclear Developments

Date	Event	Significance
2015	Signing of JCPOA	Imposed constraints on Iran's nuclear program in exchange for sanctions relief; extended breakout time to approximately one year
2018	U.S. Withdrawal from JCPOA	Undermined deal's effectiveness; precipitated new cycle of escalation
2018-present	Expansion of Uranium Enrichment	Iran now enriching uranium to 60% purity (far beyond JCPOA's 3.67% limit); approaching 90% weapons-grade threshold
2023-2024	Proxy Network Stress-testing; Accelerated Nuclear Advancement	October 7 attacks trigger regional war cascade; Hezbollah severely degrades (2024); Assad regime collapses (December 2024); Iran responds with accelerated enrichment, reinforcing nuclear program as primary deterrence pillar
2024	IAEA Report	Iran operating advanced centrifuges prohibited under JCPOA; stockpile exceeds JCPOA limits by more than tenfold
2025	Implementation of NSPM-2	Emphasized "enhanced verification mechanisms and stricter compliance requirements"; departure from earlier approaches

The JCPOA represented a significant diplomatic achievement, imposing constraints on Iran's nuclear program in exchange for sanctions relief. The agreement required both international consensus among the P5+1 countries and domestic political support within each participating nation (Putnam, 1988, pp. 427-460). The complex verification protocols, administered by the IAEA, initially proved effective in limiting Iran's uranium enrichment activities and extending its breakout time to approximately one year. The strategic landscape shifted irreversibly with the U.S. withdrawal. According to the IAEA (2024), Iran's uranium enrichment activities have expanded significantly since 2018, with the country now enriching uranium to 60% purity—far beyond the 3.67% limit established under the JCPOA and approaching the 90% threshold considered weapons-grade. Iran continues to operate advanced centrifuges prohibited under the JCPOA and has accumulated a uranium stockpile exceeding the JCPOA's limits by more than tenfold. The nuclear program's continued development despite enormous economic costs reflects its dual utility: as a deterrence instrument against regime change and as a domestic rallying point that frames economic hardship as a necessary sacrifice in an existential struggle (Levitsky & Way, 2010, pp. 189-193). Critically, the pace of nuclear advancement accelerated during and after the 2024 proxy setbacks. As the proxy network was degraded, Iran doubled down on its nuclear program as the more durable deterrence instrument. This is consistent with the theoretical framework: when conventional deterrence through proxies is weakened, the security dilemma logic pushes toward reliance on the ultimate deterrent of near-nuclear capability (Eisenstadt, 2024, pp. 112-115).

Iran's parallel development of nuclear capabilities and ballistic missile delivery systems creates a threshold capability that serves deterrence purposes without requiring formal weaponization. Iran's medium-range ballistic missiles can reach targets over 2,000 kilometers away, placing Israel, U.S. bases in the Gulf, and parts of southeastern Europe within range. This approach exemplifies strategic ambiguity: Iranian officials have publicly said that nuclear weapons are prohibited under Islamic law (*fatwa*), but the program's technical parameters suggest the ambiguity serves strategic purposes even if it is not formally stated as policy.

5. U.S. Policy Shifts and their Implications

The implementation of National Security Presidential Memorandum NSPM-2 represents an evolution in American policy toward Iran's nuclear program, emphasizing "enhanced verification mechanisms and stricter compliance requirements" as prerequisites for diplomatic engagement (The White House, 2025). This approach signals a departure from earlier negotiating postures and reflects a reassessment of the JCPOA's fundamental limitations, particularly regarding sunset provisions and verification protocols. As Trump (2025) declared upon reimposing sanctions, the U.S. sought an Iran that could be "great and successful" but not possess nuclear weapons—a formulation that leaves diplomatic space while maintaining maximum pressure. The reimposition of comprehensive economic sanctions under Executive Order 14024 has had substantial impacts on Iran's economic stability (U.S. Department of the Treasury, 2025). According to World Bank and International Monetary Fund (IMF) assessments, Iran's inflation rate increased from approximately 10% in 2017 to over 40% by 2020 following the reimposition of sanctions—a fourfold increase directly correlated with the policy shift. As reported in *The New York Times*, the new sanctions regime targeted not only primary economic activities but also secondary transactions involving third-party countries, effectively forcing international companies to choose between access to American markets and engagement with Iran (Sanger, 2025). The Iranian rial depreciated by more than 60% against major international currencies between 2018 and 2020.

Iran's response to sanctions pressure has been the development of what the regime terms a "resistance economy," designed to reduce vulnerability to external economic pressure while maintaining core strategic priorities (Toumaj, 2014, pp. 7-8). This approach involves emphasis on domestic production and import substitution, development of sanctions evasion networks and alternative financial channels, deepening economic ties with China and Russia, and acceptance of economic contraction in exchange for strategic autonomy. Iran's 25-year strategic cooperation agreement with China provides a crucial economic lifeline, encompassing investments in infrastructure, energy, and technology sectors that partially insulate Iran from Western pressure (Vaisi, 2022). Despite these adaptations, the resistance economy has generated significant internal costs: stifled innovation, negative GDP growth in 2018-2019, and widespread public discontent. These economic strains intersect directly with Iran's nuclear posture. The IAEA's role in monitoring and verifying Iran's nuclear activities has become increasingly challenging in this environment. IAEA Director General Rafael Grossi has publicly expressed concern that time is running out to revive the Iran nuclear deal, emphasizing that continued erosion of verification capabilities could lead to an "information black hole" regarding Iran's nuclear activities (Reuters, 2025). This situation creates a dangerous information asymmetry that increases the risk of miscalculation by all parties involved. Based on the IAEA (2024) and comparative policy analysis, Table 4 reveals verification protocol comparison.

Table 4. Verification Protocol Comparison

Aspect	Under JCPOA	Current Situation
Inspector Access	Comprehensive access to declared sites; provisions for inspecting undeclared sites	Restricted access to key facilities
Monitoring Technology	Continuous monitoring of enrichment activities	Reduced technical monitoring capabilities
Data Sharing	Regular and transparent data sharing	Declining cooperation with inspectors
Risk Assessment	Breakout time estimated at approximately one year	Reduced to potentially a few months
Compliance Mechanisms	Clear framework for addressing violations	Limited enforcement capability

6. Discussion: The “Unification of Arenas” Strategy: Resilience, Disruption, and Geopolitical Recalibration

Iran’s “Unification of Arenas” strategy represents an integrated approach to regional power projection that transcends traditional conceptions of proxy warfare. This strategy deliberately links conflicts across Lebanon, Syria, Iraq, Yemen, and Palestine into a unified strategic front against perceived adversaries, particularly Israel and the U.S. By coordinating actions across these diverse theaters, Iran creates strategic synergies that would be unattainable through isolated bilateral relationships with individual proxy forces. Iran’s distributed network of proxies creates an asymmetric advantage that conventional military superiority struggles to counteract—what scholars term “netwar” capabilities (Arquilla & Ronfeldt, 2001, pp. 6-7). The events of 2023-2024 subjected this integrated framework to its most severe stress test, and the results were mixed: the strategy’s interdependency, which was its greatest strength, also proved to be a vulnerability when multiple nodes came under simultaneous pressure. The October 7 attacks—which Iran did not initiate but was prepared to exploit—triggered an Israeli military response that, within approximately one year, had fundamentally degraded two of the strategy’s core pillars: the Syrian theater was lost entirely and Hezbollah’s capabilities were severely diminished. However, it would be analytically premature to declare the strategy defunct. The Houthi theater continues to function effectively; the Iraqi militia network remains intact; and Iran’s nuclear program—the strategy’s ultimate backstop—has advanced further than at any point in the program’s history.

The 2024 setbacks reveal a structural tension at the heart of the “Unification of Arenas” strategy: while interdependency creates synergies, it also generates systemic risk. When one theater comes under severe pressure, the strategy’s integrated design can become a liability rather than an asset, as adversaries can exploit the interconnections to impose cascading costs across the network. This strategy also carries significant risks of regional escalation and miscalculation. The distributed nature of Iran’s proxy network means that incidents in one arena can rapidly trigger responses across the entire regional system, potentially leading to unintended escalation (Waltz, 1979, p. 127). Traditional security frameworks based on state-to-state deterrence prove inadequate in addressing the challenges posed by Iran’s network-based approach; power in this context flows through multiple channels that transcend conventional hierarchies (Keohane & Nye, 1977, pp. 8-14).

The disruption to Iran’s regional proxy network must also be understood against the backdrop of its evolving relationships with global powers. The country’s increasingly explicit “Look East” policy, which prioritizes strengthening ties with Russia and China, represents a strategic adaptation to years of Western economic sanctions and diplomatic isolation. Iran’s recent membership in BRICS provides an alternative platform for economic and political engagement operating outside Western-dominated international institutions, though the practical implications of this membership remain uncertain given the still-evolving nature of BRICS economic coordination mechanisms. The recent rapprochement between Saudi Arabia and Iran, brokered by China in March 2023, represents a landmark development in Middle Eastern diplomacy (Cafiero, 2024). This diplomatic breakthrough demonstrates the changing nature of great power influence in the region and the increasing diplomatic weight of China as a mediator. China’s 25-year strategic cooperation agreement with Iran creates economic interdependencies that partially insulate Iran from Western pressure while strengthening China’s position in the Middle East (Vaisi, 2022). However, historical animosities and structural tensions between Saudi Arabia and the Islamic Republic suggest that while tactical cooperation is possible, strategic partnership remains unlikely (Sadjadpour, 2018, p. 30).

Concluding Remarks

Iran's dual strategy of proxy warfare and nuclear development represents a sophisticated and adaptive response to the shifting geopolitical landscape of the Middle East. The strategic setbacks of 2023-2024—particularly the degradation of Hezbollah and the fall of the Assad regime—represent the most significant challenge to this strategy since its formulation and require honest analytical engagement rather than minimization. This analysis has demonstrated how Tehran's approach—weaving together security imperatives, regime survival strategies, and deeply ingrained cultural principles—has enabled it to assert regional influence despite formidable internal and external constraints. The central argument of this paper, revised in light of the 2024 developments, is that Iran's dual strategy has proven resilient not because it has avoided setbacks, but because it has demonstrated the capacity for strategic recalibration: when the proxy pillar of deterrence is weakened, Iran speeds up the nuclear pillar. This recalibration dynamic is theoretically predicted by the neorealist security dilemma framework—a state facing increased vulnerability will intensify its pursuit of the most credible available deterrent (Waltz, 1979, pp. 102-128).

This paper has also highlighted the profound impact of U.S. policy shifts on Iran's strategic calculations. The reimposition of comprehensive economic sanctions under Executive Order 14024 and the implementation of NSPM-2 (The White House, 2025) have placed substantial pressure on Iran's economy, exacerbating internal vulnerabilities and fueling public discontent. The interaction between U.S. maximum pressure policy and the 2024 regional setbacks creates a particular danger: a strategically weakened Iran with an accelerating nuclear program and diminished incentives for diplomatic engagement. This combination—reduced conventional deterrence capacity, accelerating nuclear advancement, and continued economic isolation—represents a more volatile strategic environment than any preceding period.

The sustainability of Iran's current strategy faces significant challenges. The recalibration of regional alliances—exemplified by growing security cooperation between Israel and Arab states—illustrates the mounting pressures Iran must navigate. Economic isolation, compounded by enduring sanctions and internal discontent, presents formidable challenges to Tehran's ability to sustain both proxy networks and nuclear aspirations without incurring significant domestic instability. For policymakers, these findings emphasize the necessity of nuanced and multidimensional approaches to addressing Iran's dual strategy. Simplistic solutions relying solely on military deterrence or economic pressure have historically failed to erode the resilience of Iran's security networks. Instead, a combination of constructive engagement, calibrated containment, and strategic leveraging of regional partnerships is essential. Efforts to revive diplomatic agreements or negotiate successor frameworks must address the JCPOA's limitations, particularly sunset provisions and verification protocols. Enhanced verification mechanisms and stricter compliance requirements could provide more durable frameworks for managing Iran's nuclear program, though such efforts must be accompanied by confidence-building measures to reduce miscalculation and escalation risks.

The 2024 regional setbacks create a narrow but real window for diplomatic engagement: Iran's proxy network has been degraded to a degree that makes the costs of its maintenance more visible, potentially creating domestic political space for a recalibration that includes diplomatic engagement on the nuclear file. Policymakers should consider whether the current moment—Iran weakened but not cornered, the nuclear program advanced but not yet weaponized—represents the last viable opportunity for a diplomatic resolution that averts either a nuclear Iran or a military confrontation.

Several areas warrant further exploration: the internal dynamics of Iran's regime, particularly the role of factional politics in shaping foreign policy decisions, remain underexplored. The evolving role of non-state actors in the Middle East merits closer examination, as asymmetric warfare and network-based power projections are becoming increasingly prevalent. Finally, the implications of emerging technologies—particularly drones and cyber capabilities—for Iran's strategic posture represent another promising research avenue, given the significant roles these technologies played in the 2024 campaigns.

Author Contributions:

The author is solely responsible for the preparation of this article.

Conflict of Interest Statement:

The author declares there is no conflict of interest.

AI Usage Statement:

During the preparation of this article, ChatGPT was utilized to refine the language, as English is not the author's native language. The author carefully reviewed and edited the content post-AI assistance to ensure accuracy and coherence. The author takes full responsibility for the final content and its publication.

REFERENCES

- Arquilla, J., & Ronfeldt, D. (2001). *Networks and netwars: The future of terror, crime, and militancy*. RAND Corporation.
- Byman, D. (2003). Should Hezbollah be next? *Foreign Affairs*, 82(6), 54-66.
- Cafiero, G. (2024, March 6). A year ago, Beijing brokered an Iran-Saudi deal. How does détente look today? *Atlantic Council*. <https://www.atlanticcouncil.org/blogs/iransource/iran-saudi-arabia-china-deal-one-year/>
- David, S. R. (1991). Explaining Third World alignment. *World Politics*, 43(2), 233-256.
- Eisenstadt, M. (2024). *If Iran gets the bomb: Weapons, force posture, strategy*. Washington Institute for Near East Policy.
- Ghazvinian, J. (2021). *America and Iran: A history, 1720 to the present*. Knopf.
- International Atomic Energy Agency. (2024). *Gov2024-68: Report on Iran's nuclear activities*. <https://www.iaea.org/sites/default/files/24/11/gov2024-68.pdf>
- Kamel, A. M. (2018). The JCPOA: How Iran's grand strategy stifled the US. *Middle Eastern Studies*, 54(4), 706-722. <https://doi.org/10.1080/00263206.2018.1424885>
- Keohane, R. O., & Nye, J. S. (1977). *Power and interdependence: World politics in transition*. Little, Brown and Company.
- Levitsky, S., & Way, L. A. (2010). *Competitive authoritarianism: Hybrid regimes after the Cold War*. Cambridge University Press.
- Maloney, S. (2015). *Iran's political economy since the revolution*. Cambridge University Press.
- Przeworski, A. (2023). Formal models of authoritarian regimes: A critique. *Perspectives on Politics*, 21(3), 979-988.
- Putnam, R. D. (1988). Diplomacy and domestic politics: The logic of two-level games. *International Organization*, 42(3), 427-460.
- Reuters. (2025, February 14). IAEA chief sees time running out to revive Iran nuclear deal. <https://www.reuters.com/business/energy/iaea-chief-sees-time-running-out-revive-iran>

- Sadjadpour, K. (2018). *Reading Khamenei: The worldview of Iran's most powerful leader*. Carnegie Endowment for International Peace.
- Sanger, D. E. (2025, February 4). Trump issues an executive order reimposing sanctions on Iran. *The New York Times*. <https://www.nytimes.com/2025/02/04/us/politics/trump-iran-executive-order.html>
- The White House. (2025, February). *National Security Presidential Memorandum NSPM-2*. <https://www.whitehouse.gov/presidential-actions/2025/02/national-security-presidential-memorandum>
- Toumaj, A. (2014). *Iran's economy of resistance: Implications for future sanctions*. American Enterprise Institute.
- Trump, D. J. [@realDonaldTrump]. (2025, February 4). I want Iran to be a great and successful country, but one that cannot have a nuclear weapon [Post]. *Truth Social*. <https://truthsocial.com/@realDonaldTrump/posts/113950996936674770>
- Trump, D. J. (2018, May 8). President Donald J. Trump is ending United States participation in an unacceptable Iran deal. *The White House*. <https://trumpwhitehouse.archives.gov/briefings-statements/president-donald-j-trump-ending-united-states-participation-unacceptable-iran-deal/>
- U.S. Department of the Treasury. (2025). *Press release SB0015*. <https://home.treasury.gov/news/press-releases/sb0015>
- Vaisi, G. (2022, March 1). The 25-year Iran-China agreement, endangering 2500 years of heritage. *Middle East Institute*. <https://www.mei.edu/publications/25-year-iran-china-agreement-endangering-2500-years-heritage>
- Walt, S. M. (1987). *The origins of alliances*. Cornell University Press.
- Waltz, K. N. (1979). *Theory of international politics*. Addison-Wesley.
- Wright, J., & Bak, D. (2016). Measuring autocratic regime stability. *Research and Politics*, 3(1), 1-10. <https://doi.org/10.1177/2053168015624498>