



INSS Insight No. 477, October 17, 2013

**After Round One with Rouhani:
Staying Focused on the Dynamics of Nuclear Bargaining**

Emily B. Landau

While over the past weeks expectations of a deal with Iran have been running high in many quarters, the first round of nuclear negotiations following the election of Hassan Rouhani has ended with no concrete progress save the promise of another meeting early next month where the Iranian proposal will undergo further scrutiny.

There were certainly some new features that characterized these talks: they were conducted in English, the Iranian proposal was presented in a PowerPoint presentation and reportedly included a serious and detailed proposal, the Iranians overall demonstrated a much more positive and direct attitude in the talks, and negotiations ended with a joint Iran-P5+1 statement noting that the Iranian proposal will be examined carefully.

Nevertheless, as far as concrete substance is concerned, Gary Samore, former White House coordinator for Arms Control and WMD, is quoted as saying that the Iranians have not offered the kind of concessions the US is looking for. In his view, “the Iranian proposal appears to be pretty much boiled over soup,” and is an offer that is not fundamentally different from what was proposed when Ahmadinejad was president.

In assessing prospects for success down the road in this difficult negotiation, one aspect seems clear: for the international community to attain the deal it wants, it must not lose sight of the basic setup of the bargaining situation. Contrary to media portrayals of the past few months, these negotiations should not be regarded as a give and take between two parties that are working to realize a shared goal. This crisis was created by Iran when it began to cheat on its commitment to remain non-nuclear according to the terms of the NPT. For years Iran has been working on a military nuclear program, and the international community has been trying to stop it. Resolving the crisis is about one thing only: Iran withdrawing from its military ambitions in the nuclear realm.

For over a decade the international community has striven to fix a problematic situation created by Iran. The international community has sought a negotiated deal whereby Iran relinquishes its military nuclear ambitions, but Iran would like to continue on its own to a

military nuclear capability while paying a minimum price. Negotiations have played no role in Iran's basic game plan and over the years were regarded more as a nuisance (sometimes hurdle) to be overcome on the road to the ultimate goal. When Iran has come to the negotiations table, it has been in order to demonstrate a semblance of cooperation, for the purpose of warding off the prospect of harsher steps being imposed by the international community in response to its ongoing nuclear defiance. Being engaged in negotiations – which must be distinguished from negotiating in order to reach a deal – has sometimes proven useful to Iran as a means of not only avoiding international pressure and punishment, but gaining time to push its program forward.

The difference now is that Iran has a more concrete reason to bargain with the West. Iran is suffering from the impact of biting sanctions that were put in place over the course of 2012 in response to its indifference to international demands, so it currently seeks negotiations in order to have these sanctions lifted. This has resulted in negotiations appearing more like a give and take situation – the P5+1 demand that Iran make nuclear concessions, and Iran in turn demands that the P5+1 reciprocate by lifting sanctions. The fact that Iran brought sanctions upon itself through its nuclear defiance is pushed to the sidelines, and in the meantime, the Iranians demand respect, reciprocity, and recognition of their right to a civilian nuclear program.

But while a prospective deal might ostensibly draw on this new setup, there is in fact no indication that the basic dynamic has changed. The international community is still trying to compel Iran to abandon its military ambitions, and as of yet Iran has shown no indication of wanting to do so. If biting sanctions are lifted for less than a final deal, the international community will go back to square one, with no cards to play in the negotiations or means to coerce Iran to reverse course. Structurally, even though Iran suffers from economic sanctions, in the negotiations process it has always had the upper hand because it is not dependent on a negotiated deal, and can therefore abuse negotiations as it continues to enhance and diversify its nuclear program.

Until it becomes clear that Iran may be willing to reverse course in the nuclear realm, its offers of nuclear concessions should be regarded as bargaining chips – purposely created by Iran along the way, in case it should face a situation much like it faces today, when the pressure becomes too much to bear. But these bargaining chips do not endanger Iran's ability to move toward nuclear weapons at a time of its choosing. The 20 percent enrichment issue is an excellent example of an issue that Iran created, and in which regard Iran can now afford to be flexible. However, the international community had demands of Iran before the 20 percent enrichment issue was put on the table; therefore taking it off the table cannot now be regarded as a solution.

It is difficult to remain firm and determined when your adversary is smiling. But if the smile is genuine, Iran should be able to readily address the problematic aspects of its nuclear program that support the assessment that Iran strives for a military nuclear capability. Continuing to resist that, while focusing all attention on sanctions relief, is what fuels the sense that the changed atmospherics are not indicative of a changed Iranian nuclear stance.

Finally, an interesting twist in the overall dynamic of confronting Iran is Rouhani's recent move to introduce the prospect for a new and changed bilateral relationship with the United States. On the one hand, this has raised the stakes of the nuclear negotiation for the United States, because if the Obama administration remains steadfast as far as sanctions relief, it now risks losing more than a nuclear deal – namely, the enticing prospect of a changed relationship with Iran. On the other hand, the implications of this move by Iran may have significant consequences for other players in this dynamic as well, most importantly Russia. Russia's surprisingly cool reception of the Geneva talks – which stands in stark contrast to the voices of optimism coming from Western capitals – raises the possibility that Russia is not happy with the prospect of thawed bilateral relations that could very well mean a parallel loss of Russian influence in Iran. Russia may be signaling to Iran that it could be the spoiler for Iran's desire for a quick nuclear deal that would bring sanctions relief if Iran indeed moves closer to the United States.

