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# **Europe and Iran: The Nuclear Dispute and the Syrian Crisis**

Relations between Tehran and Brussels remain frustrated by two problems — the Syrian Civil War and Iran's nuclear ambitions. However, given that the official goals of both sides are similar - a stable Syria and civilian nuclear power for Iran - Gawdat Bahgat remains confident that their differences can be overcome.

By Gawdat Bahgat for ISN

Following a meeting of the EU foreign ministers in late December 2014 the European Union High Representative for Foreign Affairs and Security Policy Federica Mogherini stated, "Iran is not only the country with which we have nuclear talks, it is also a regional important player [sic] and this practically means that we will have to engage with Iran also on its neighborhood." This statement highlights the two issues under intense discussion between the EU and Iran – the nuclear dispute and the crisis in Syria. In recent months much attention has been focused on potential rapprochement between Washington and Tehran. This might or might not happen. Meanwhile, the EU has been a key player in the on-going diplomatic efforts with Iran.

Historically, the EU has viewed Iran as an important regional power. Following the uncertainties that accompanied the Iranian revolution and the Iran-Iraq war, Brussels and Tehran began regular consultations to improve relations. These efforts, however, have been interrupted by strong disagreement over Iran's nuclear program and, since 2011, the on-going civil war in Syria.

### The nuclear dispute

The goal of the European Union policy on Iran's nuclear dispute is to "achieve a comprehensive, negotiated, long-term settlement which restores international confidence in the exclusively peaceful nature of the Iranian nuclear program, while respecting Iran's legitimate right to the peaceful use of nuclear energy under the Non Proliferation Treaty." This declared objective is not different from that of the United States. Brussels, however, had initially adopted a different tactic than Washington. Since the early days of the 1979 Revolution relations between Washington and Tehran have been dominated by mutual hostility and mistrust. The United States has sought to isolate and contain Iran. On the other side, the Europeans have taken a less confrontational approach and sought to influence Iran's domestic and foreign policies by engaging the country in commercial and diplomatic relations. Stated differently, the Americans played the role of "bad cop" while the Europeans played the role of "good cop". Eventually the two roles have converged and neither has succeeded. Iran has continued

to make progress on its nuclear program.

The difference between the American and European policies on Iran can be explained by historical, commercial and geopolitical factors. Generally, Tehran has had warmer relations with some European countries than with the United States. The European Union has been Iran's major trading partner for many years with Iran exporting a large proportion of its oil and petroleum products to European markets in return for machinery, transport equipment and chemicals. Finally, Iran and the broader Persian Gulf/Middle East region are Europe's 'backyard' – whatever happens there has a deeper and more direct impact on Europe than on the United States. These differences between Washington and Brussels as well as differences among the EU member-states have provided Iran with opportunities to overcome attempts to isolate and weaken its international economic and political outreach.

Against this background Tehran and Brussels sought to establish cooperative relations in the aftermath of the Iran-Iraq war (1980-88). These efforts, however, were restrained by disagreements over the *fatwa* against Salman Rushdie and allegations of Iranian involvement in terrorist activities. Despite these obstacles and setbacks, the Iranian and European sides initiated the so-called 'critical dialogue', which later evolved into a comprehensive one. The Europeans sought to use growing trade and commercial ties as well as flourishing political dialogue to change Iran's policy in four areas: human rights, the Arab-Israel conflict, its alleged sponsoring of terrorism, and its proliferation of weapons of mass destruction. Gradually, the nuclear issue has dominated relations between the two sides, particularly since the early 2000s when more information on the nuclear program became available.

The revelation of previously undeclared nuclear activities in 2002 was coupled with two other developments. First, the EU became more concerned about the proliferation of WMD and articulated a broad strategy signaling a rising European role. This strategy was officially declared in the mid-2000s. Second, the United States' invasion of Iraq in 2003 heightened tensions in the Middle East. Europe was concerned that Washington might start another war against Iran, which would further destabilize its backyard.

It was the combination of these developments that laid the ground for European-Iranian nuclear negotiations. These diplomatic efforts were led by France, Germany and the United Kingdom and started in 2003. Following the election of President Mahmoud Ahmadinejad in 2005, Tehran resumed enriching uranium, and the IAEA referred Iran to the United Nations Security Council. Within this context the United Nations Security Council issued four resolutions (1737 of December 2006, 1747 of March 2007, 1803 of March 2008, and 1929 of June 2010) that imposed strict and comprehensive economic sanctions on Iran. In parallel, the European Union imposed additional sanctions. These included prohibitions on trade in goods and technologies that could contribute to the nuclear program. In addition, in 2012 the EU added a number of measures focusing on Iran's energy sector including a ban on importing oil and natural gas and on exporting technology and equipment. As a result of these strict sanctions EU imports from Iran dropped from 17.3 billion Euro in 2011 to 0.8 billion and exports from 10.5 billion Euro to 5.5 billion. Meanwhile, the negotiating track was not completely abandoned. High Representative Catherine Ashton led several rounds of negotiations with Iran in what became known as the 5+1 or E3+3 (France, Germany, United Kingdom, China, Russia and United States).

It is important to point out that Iran categorically denies any interest in making nuclear weapons and claims that its nuclear program is solely focused on civilian nuclear energy. Since the election of President Rouhani in 2013 the differences between the two sides have significantly narrowed. The on-going negotiations seek to overcome the few, but major, remaining obstacles. The two sides claim that the nuclear track is separate from other regional disputes. However, one can argue that reaching an agreement on one track would facilitate an understanding on the other.

## The Syrian crisis

The EU's stance on the Syrian crisis was clearly re-stated in the latest meeting of the Foreign Affairs Council, held in Brussels in mid-December. The foreign ministers emphasized that the EU will continue to encourage all efforts to reach a political solution in order to maintain the unity, sovereignty, and territorial integrity of Syria, as well as its multi-ethnic and multi-religious character. They added that a lasting solution to the conflict can only be achieved through a Syrian-led political process leading to a transition. Finally, the EU foreign ministers expressed their willingness to engage with all regional and international actors with influence over the Syrian parties. In short, the EU wants to engage with Iran. Nevertheless, it remains EU policy that President Bashar Al-Assad should step down. While Tehran does not advocate that Assad should stay in power for life, it has strongly backed his regime since the beginning of the uprising in March 2011.

The Iranians do not see the crisis in Syria as a part of the broader uprising in the Arab world (the so-called Arab Spring) that toppled the regimes in Tunisia, Libya, Egypt and Yemen. Rather, Tehran believes that Saudi Arabia, Qatar, Turkey, and Israel are involved in a conspiracy to train and fund terrorist groups. Their goal is not limited to toppling the Assad regime. Instead, their objective is to weaken Iran's strategic interests.

The creation of Hezbollah in the early 1980s has been one of the most important achievements of the Iranian revolution. The Lebanese party continues to play a key role in Iran's security strategy as an instrument of deterrence and retaliation against potential Israeli and/or American attacks. Thus, maintaining a connection to Hezbollah through a friendly regime in Damascus is a fundamental Iranian national security issue. In other words, maintaining supply routes to Hezbollah via a friendly regime in Syria (or at least part of it) is seen in Tehran as part of the country's defense strategy. Major General Qassem Suleimani, the architect of Iran's military effort in Syria and the head of its Qods Forces recently asserted, "Syria is the front line of the resistance."

Within this context, Iran has been paying a huge price for supporting President Assad. History shows that when it comes to perceived national security and survival, governments are willing to pay whatever price is needed. This, however, does not rule out a compromise. Indeed, Tehran has proposed several plans to prevent foreign intervention, stop violence, provide humanitarian assistance and hold free elections. In short, Iran is open to a political solution under which the Syrian government and opposition would negotiate an end to the crisis.

### The way forward

The nuclear dispute and the Syrian crisis are two major obstacles towards a rapprochement between Tehran and Brussels. Officially the two sides share similar goals: (A) for Iran to have the acknowledged right to be a civilian nuclear power, and (B) to establish a sovereign, united and prosperous Syria. The on-going negotiations have brought the two sides closer. Still, more work is needed.

In recent months the EU and Iran have taken several steps to ease tension and prepare the groundwork to resume cooperation. At the United Nations General Assembly meeting in New York last September President Rouhani met British Prime Minister David Cameron, and Presidents Francois Hollande of France and Heinz Fischer of Austria. In October hundreds of business executives and policymakers met in London in the first Europe-Iran Forum to discuss potential investment opportunities. The number of Europeans visiting Iran has also dramatically grown in the last several months. Iran has 17 world heritage sites registered with the United Nations Educational, Scientific and Cultural Organization (UNESCO).

As a sign of a thaw in diplomatic relations between Europe and Iran, British Petroleum (BP) resumed gas production from the Rhum field in the North Sea. The Iranian Oil Company has a 50% stake in the field and BP owns the other half. Revenues owed to Iran from renewed production at Rhum will be held, for now, by the British government in a frozen account until a full resolution over sanctions emerges. Indeed, given Iran's abundant oil and natural gas proven reserves and Europe's growing dependency on imported supplies, energy is likely to be a major area of cooperation between the two sides. Energy majors Total of France and Italy's Eni have in the past expressed interest in developing South Pars, one of the world's biggest gas fields, shared by Qatar and Iran. Iranian officials have re-assured their European counterparts that Tehran can serve as a reliable energy supplier to Europe.

To sum up, there are key differences between Brussels and Tehran over major strategic issues such as the nuclear dispute and the Syrian crisis. However, these differences are not un-bridgeable. The two sides share similar goals and are close to reaching an understanding on a common approach. An Iranian-European rapprochement would benefit the two sides and increase regional stability. It is a win-win proposition.

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Dr. Gawdat Bahgat is professor of National Security Affairs at the National Defense University's Near East South Asia Center for Strategic Study. He is an Egyptian-born specialist in Middle Eastern policy, particularly Egypt, Iran, and the Gulf region. His areas of expertise include energy security, proliferation of weapons of mass destruction, counter-terrorism, Arab-Israeli conflict, North Africa, and American foreign policy in the Middle East.

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