

## IRAN'S NUCLEAR AMBITIONS: OPTIONS FOR THE WEST

Efforts to resolve the dispute over Iran's nuclear program by diplomatic means seem to have reached an impasse. So far, despite years of negotiations, the economic and technological incentives offered by the West have failed to persuade Iran to relinquish its uranium enrichment efforts. If the Islamic Republic is indeed seeking to acquire a nuclear weapon, a sanctions regime will hardly prevent it from doing so either. Only direct talks between the US and Iran could create the conditions for an agreement.



*Iranian President Mahmoud Ahmadinejad speaking to the UN General Assembly in September 2006*  
Ray Stubblebine/Reuters

In the past years, there have been increasing indications that Iran's nuclear program is also geared towards developing a military option, despite protestations to the contrary. For example, in August 2002, an Iranian exile group claimed that the country maintained secret nuclear installations. Furthermore, Iran has since violated its reporting obligations as a member of the Non-Proliferation Treaty (NPT) on numerous occasions, and its cooperation with the International Atomic Energy Agency (IAEA) has left a lot to be desired. Tehran also insists on enriching uranium autonomously, which is another indication that it may have other intentions beyond civilian usage of nuclear energy.

A nuclear-armed Iran would fundamentally alter the strategic picture in the Middle East and would also constitute a threat to Europe, which will come within the range of Iranian long-range ballistic missiles in the foreseeable future. States like Egypt, Saudi Arabia, Syria, or Turkey might also feel the need to acquire nuclear capabilities, setting off a regional nuclear arms race. The military dominance of Israel and the US, hitherto the only nuclear powers in the region, would be reduced significantly. US pundits, in particular, also fear that a nuclear-armed Iran would not only try to act as a regional hegemon, but might also pass on its nuclear know-how to friendly states or organizations such as Hamas or Hiz-

ollah. At the global level, the NPT would continue to be undermined after years of crisis and after the blow it sustained from the nuclear test conducted by North Korea (which left the NPT in 2003) in the autumn of 2006. Another likely outcome would be an increase – temporary, at least – in the price of oil.

The Western countries' attitudes towards Iran have changed in recent years in response to Iran's nuclear efforts. During the rule of the Shah, the US, France, and West Germany actively supported Iran's quest to pursue the peaceful usage of nuclear energy. After the Islamic Revolution of 1979, this cooperation was terminated, but the West did little to prevent the mullahs' regime from resuming its nuclear program with the help of Pakistan, and later Russia and China, from the mid-1980s onwards. However, in view of the changed security environment since 11 September 2001 and Iran's suspected push for nuclear arms, Europe and the US are now determined to restrict Tehran's nuclear activities.

### **The EU-3's inconclusive diplomacy**

Over the past three years, it has been mainly the EU-3 (Germany, France, and Britain) that actively sought a solution to the nuclear crisis. Unlike the US, which has not maintained official diplomatic relations with Iran since 1980, the Europeans have pursued a strategy of engagement since the early 1990s. It is true that the EU suspended its "Comprehensive Dialog" in 2003, and shortly thereafter also its human

## Timeline of negotiations

- 21 October 2003: Iran temporarily abandons uranium enrichment in the “Teheran Agreement” with the EU-3.
- 26 November 2004: In the “Paris Agreement”, Iran also undertakes to abstain from uranium conversion, a preliminary stage of enrichment.
- 7 August 2005: Iran rejects a European draft for a long-term agreement and resumes uranium conversion.
- Autumn 2005: Moscow suggests a Russian-Iranian joint venture for conducting enrichment in Russia.
- 9 January 2006: Iran resumes uranium enrichment.
- 4 February 2006: The IAEA refers the matter to the UN Security Council.
- 6 June 2006: The EU-3 plus 3 offer an incentive package.
- 31 July 2006: UN Security Council Resolution 1696 issues an ultimate demand that Iran terminate all its enrichment activities and threatens sanctions.
- 22 August 2006: Iran responds – is prepared to negotiate, but rejects preconditions.
- 6 October 2006: The EU-3 plus 3 agree to debate sanctions in the Security Council.

rights dialog with Iran, in response to the escalation in the nuclear dispute. However, the EU-3 continued to seek a diplomatic solution to the nuclear impasse via direct talks. Even though the administration of US President George W. Bush advocated isolation and sanctions from the very beginning, it let the Europeans have a go, not least because it was heavily committed in Iraq already.

But the negotiations with Tehran proved inconclusive. While the Iranian government agreed to temporarily suspend its enrichment activities as a confidence-building measure, it rejected a European proposal in August 2005 that would have given Iran stronger economic, technological, and political cooperation with the EU in return for abandoning uranium enrichment in the long term. Instead, it resumed its enrichment activities in January 2006 and left the IAEA with no other choice but to refer the matter to the UN Security Council. A negotiation package offered to Iran in June 2006 by the EU-3, the US, Russia, and China (the “EU-3 plus 3”), was equally unsuccessful. Neither incentives, such as the prospect of WTO accession and cooperation in civilian nuclear technology, nor the Security Council’s threat to impose sanctions in case of Iran’s non-compliance succeeded in convincing Tehran to suspend its enrichment activities again. After another negotiation attempt collapsed in September 2006, the Europeans could only acknowledge that their diplomatic efforts had failed.

Iran’s unyielding stance reflects the increasing confidence of the leadership in Tehran, which makes a compromise solution unlikely for the time being. President Mahmoud Ahmadinejad, elected in June 2005, is obviously banking on the high oil price to further consolidate his position. Regime change in Iraq and Afghanistan as well as the resurgence of the Shi’ites in the region have markedly increased the influence of Iran in the Middle East and Central Asia. The seeming success of the Hizbollah militia in its conflict with Israel in southern Lebanon is likely to have further contributed to Iran’s current confidence in ignoring the UN’s demands related to its nuclear program.

### Limited effect of coercive measures

It is questionable whether the option of coercive measures, which is now the focus of debate, will be more successful than diplomacy, however. It is unlikely that the Security Council will agree on far-reaching economic sanctions. The European countries continue to be skeptic about a comprehensive isolation of Tehran. States such as France and Italy also want to avoid a confrontation with Iran because they are concerned about retaliatory measures by Hezbollah against their troops in southern Lebanon. For Russia, Iran is an important trading partner, and the nuclear crisis offers a chance to push back against US supremacy in the Persian Gulf. Energy-hungry China, Japan, and India are also standing in the way of an effective sanctions policy – as are emerging pow-

ers such as Brazil and South Africa, which insist on their right to conduct their own uranium enrichment. The Bush administration, which is struggling for credibility on the international stage, will probably be unable to win the support of the international community for anything more than limited measures such as an embargo on dual-use products or freezing foreign bank accounts – which will hardly be sufficient to dissuade the leaders in Tehran from their current course.

Preventive airstrikes against Iranian nuclear installations, as discussed mainly in the US, would only slow down the Iranian nuclear program, but not end it. Furthermore, such attacks would probably cause further deep rifts among the international community, trigger regional solidarity with Tehran, and foster domestic consolidation within Iran. Finally, although there are still advocates of forced regime change in Iran, this option is unlikely to win the support of a majority in the US, given the experience in Iraq. Indeed, such plans appear little promising, not least because Iran has three times the population and four times the territory of its western neighbor, and because Iranian armed forces today are significantly more powerful than those of Saddam Hussein, which were subjected to international control after the 1991 Gulf War.

It should also be taken into consideration that serious coercive measures could provoke a dangerous escalation of the nuclear crisis. Iran might withdraw from the NPT and expel all inspectors, stoke the smoldering civil war in Iraq, or increase its support for terrorist groups. Furthermore, experts believe that by blocking the Straits of Hormuz, Tehran could make the price of oil shoot up to over US\$100 per barrel.

### Direct talks between Washington and Tehran?

If the Islamic Republic is indeed striving to acquire a nuclear weapon of its own, even a combination of carrots and sticks may not be enough to dissuade it from that course. Tehran’s transformation into a nuclear power would be founded on vital foreign and security policy considerations, and could therefore hardly be influenced from abroad. Besides aiming for hegemonial status in the region, Iran’s policies are also determined by the perception of strategic isolation. Today, Iran not only finds itself branded part of the “Axis of Evil” and encircled by US forces and allies, but also faces

three nuclear powers in its vicinity – Pakistan, India, and Israel. Although Iranian security policy has been guided by a strategy of autonomous capability for self-defense since the West supported Baghdad in the Iran-Iraq war during the 1980s, Tehran believes that the need for maximum deterrence has further increased in the past few years.

ington as it is in Tehran, where President Ahmadinejad has made anti-Americanism and anti-Semitism the legitimizing cornerstones of his policy.

Moreover, even if some form of rapprochement based on shared interests came about, defusing the nuclear crisis in a sustainable manner would also require the



*Iran and its neighbors*

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The nuclear crisis can only be tackled successfully if Iran’s security concerns as well as its ideas of regional order are taken into account in future negotiations. This, in turn, would require active participation of the US in the negotiations. The unsuccessful diplomatic efforts of the EU-3 have shown that the West is essentially unable to guarantee Tehran’s vital interests without involving Washington, and that Europe can achieve little with economic incentives alone. However, direct US-Iranian talks would require both sides to stop demonizing each other and move from bilateral non-relations to diplomacy, which may not happen anytime soon. The Bush administration’s indication in May 2006 that it might participate in the Europeans’ diplomatic efforts could yet prove to be a turning point in US policy vis-à-vis Iran, but it should not be overestimated for the time being. Even though those voices in the US calling for talks with Tehran have become louder and more numerous since the US mid-term elections in November 2006, it will remain just as difficult to win domestic backing for a change of course in Wash-

West to undertake increased efforts to resolve the Israeli-Palestinian conflict. Since the various crises in the Middle East are more interdependent than ever today, only a comprehensive regional stabilization may encourage Tehran to fundamentally reassess its interests. Needless to emphasize, the current situation is still far removed from such a constellation.

Should progress in resolving the crisis over Iran’s nuclear ambitions prove to be out of reach for the time being, Europe’s policy should be to try to manage the nuclear problem, and to ensure that the US does not try to forcibly fix it.

- Author and responsible editor:  
Daniel Möckli  
analysen@sipo.gess.ethz.ch
- Translated from German by Christopher Findlay
- Other CSS Analyses:  
www.isn.ethz.ch
- German and French versions:  
www.ssn.ethz.ch