

Summary of Discussions

SWP / Nixon Center Working Group "Iran and its Neighbors: Diverging Views on a Strategic Region"

3rd Colloquium, Washington DC, January 8, 2004
at The Nixon Center

In the transatlantic dialogue on Iran, the EU and the US agree that Iran's nuclear program is a serious concern. Despite this agreement, however, it seems that the EU and US views diverge when evaluating the seriousness of the threat from Iran and the best way to get Iran to change its behavior. This divergence of views parallels the diverging views with Iran's involvement in terrorism, its human rights record and the domestic political situation.

The most significant developments in the last six months have been predictably related to Iran's nuclear program. As many observers, especially those in the US, suspected, Iran admitted to experimenting with uranium enrichment – a clear breach of the Nuclear Non-Proliferation Treaty (NPT). Iran's admission came only after it was confronted by the United States and others and threatened with sanctions by the IAEA and ultimately, the UN Security Council. Iran's admission came in the context of a negotiated agreement with the foreign ministers of Britain, France and Germany, pursuant to which Iran will not only hand over all information related to its nuclear program but also sign the additional protocol of the NPT. Many, especially those in Europe, view this October 21, 2003 agreement as a significant achievement because: (1) Iran is now sharing the secrets of its nuclear program; (2) it is an example of how to solve proliferation issues in a non-violent, cooperative manner and (3) Iran will sign the additional protocol. Iran, too, can claim success from the agreement because not only did it acknowledge Iran's right to use nuclear power for civilian purposes and legitimate its security concerns but also it did not punish Iran.

A more cautious, or perhaps cynical, assessment is coming out of Washington where many policy makers are still upset that Iran was able to admit to violating the NPT without suffering any adverse consequences – thus undermining the entire NPT and calling into question its effectiveness and validity as a mechanism for preventing proliferation. The critics of the October 21 agreement believe that it is being used as a delay tactic for Iran so that it can continue to secretly develop nuclear weapons while giving the appearance of cooperating with the IAEA. When considering that Iran has been quite determined to develop a nuclear weapon, and quite comfortable with violating the NPT, the obvious question is why would Iran stop now, especially after it has invested 20 years worth of time of money trying to build The Bomb.

It will be the job of the entire international community to convince Iran to "rollback" its nuclear program. Since the end of the Cold War, this has been achieved with some success, for example in Brazil, Argentina, South Africa and South Korea. In order for such an approach to be successful, the international community must: (1) convince Iran that nuclear weapons will do more harm than good, particularly in terms of provoking more proliferation in the region and making it even less stable; (2) make sure that Iran does not take the almost irreversible step of publicly embracing nuclear weapons; and/or (3) encourage political change in favor of a regime that does not want to nuclear weapons. These approaches will need to be supported by some form of economic inducements and security guarantees for Iran, likely on the regional level and sponsored by the EU or NATO, in addition to finding a way to directly address the Iranian people and convince them that their country does not need to have nuclear weapons.

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After the nuclear issue, the biggest concern, more for the US than the EU, is Iran's links to terrorism, especially to Hezbollah. Although Hezbollah is widely viewed in Iran as freedom fighters, the US denounces it as a terrorist group because of the tactics it employs in its attacks on Israel *and* those that it used on the not-soon-to-be forgotten attack in Lebanon in 1983. Despite these continued concerns, there has been decrease in Hezbollah activity and Iran is no longer so easily identified as an obstacle to the Middle East Peace Process. Moreover, the pressure Iran exerted on Hezbollah to reach the recent deal with Israel for a prisoner exchange can be held up as an example of a changing Iran.

Despite strong opinions in the US on Iran, it is quite clear that there is no coherent policy for Iran. Congress is somewhat powerless to provoke change in Iran, although it is likely to continue proposing legislation for sanctions. There have been several efforts to establish an official policy, but each has been rejected at senior levels in the Bush Administration. Nonetheless, it seems that over the past 6 months the realists in the State Department (as opposed to the ideologues in the Pentagon) have been gaining more influence and the Bush Administration has become more open to engaging Iran. The earthquake in Bam has provided another opportunity for a rapprochement between the US and Iran, however, it is not at all clear whether this opportunity will be taken.

In contrast to the U.S., the EU has been actively engaging Iran, since December 2002, through the Trade and Cooperation Agreement (TCA). Although TCA negotiations are informally on hold until Iran makes more progress on the nuclear issue and human rights, they are expected to resume in the near future. The TCA, while primarily benefiting the EU, offers Iran a way to move closer to the international community and help create a more secure environment for investment – essential to Iran's oil and gas sector. Critically, the EU is linking the signing of the TCA to successful execution of a political agreement which covers, *inter alia*, human rights and proliferation. Although the human rights situation in Iran has not significantly improved since the dialogue began in October 2002, it has made some important steps, including inviting selected UN human rights mechanisms back into the country.

Although much of the most publicized activity in Iran concerns its external relations, the domestic political situation is similarly volatile as the reformers and conservatives continue to struggle for power. This tension has been most vividly exhibited in the current stand-off over the conservative Guardian Council's declaration of several hundred candidates ineligible to run for office – including 83 current members of parliament. This struggle within the government is reflective of an ever widening gap between society and the state and an increasing lack of hope due to economic and social difficulties. If this gap is not addressed, a larger conflict – perhaps drawing in actors from outside Iran – could materialize.