
TOWARDS A NEW TRANSATLANTIC STRATEGY TOWARDS IRAN AND ITS NUCLEAR PROGRAM

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Executive Summary

The Islamic Republic of Iran is rapidly approaching the threshold at which it can acquire nuclear weapons. At the same time, new opportunities have been presented by changes of policy introduced by the administration of U.S. President Barack Obama and the changed situation after recent elections in Iran. The Heinrich Böll Foundation, the American Jewish Committee and the Aspen Institute Germany jointly organized and hosted a one-day, closed door conference on Iran for senior policy makers, practitioners, experts and select members of the media at Aspen. The conference was timely, given the recent presidential elections in Iran. After President Ahmadinejad prevailed, Iranian citizens alleged via massive protests that the election results had been manipulated. Participants from several European countries, the United States of America, the Russian Federation, Israel and the Arab Republic of Egypt attended the conference; it was organized into a keynote speech followed by three sessions.

The keynote speech titled *Weighing the Options – How to Improve Iran’s Cooperation with the International Atomic Energy Agency and the United Nations Security Council?* was delivered by a former senior United Nations official. The speaker urged greater focus on verification of – as opposed to suspension of – Iranian nuclear activity. As military action would lead to an uncontrolled nuclear program, the speaker ruled it out as a viable policy option. Technological advances had improved the International Atomic Energy Agency’s (IAEA) verification capabilities. Iran should therefore be pushed (i) to provide “early design information” to the IAEA, (ii) to permit the IAEA to install additional surveillance cameras in Iran, and (iii) to reverse its 2006 abrogation of the Additional Protocol to the 1968 Treaty on the Non-Proliferation of Nuclear Weapons that it ratified in 2003. In the speaker’s opinion, such steps could give the international community the assurance it sought with respect to the Iranian nuclear program while imposing conditions that Iranian leaders would find much

easier to accept. Suspension of nuclear activities was said to be problematic from a legal point of view, said not to enjoy strong support in the developing world and said to be difficult to verify technically.

The first session was titled *Lessons Learned? - A New Transatlantic Approach Towards Iran and its Nuclear Program* and was led by *Patrick Clawson* of The Washington Institute for Near East Policy, *Emmanuele Ottolenghi* of the Transatlantic Institute in Brussels, and *Ruprecht Polenz*, Chairman of the Committee on Foreign Affairs of the German Bundestag. The revival of disarmament negotiations and the emphasis of the nuclear issue over regime change were said to have defused international criticism of the U.S. and to have created a more propitious atmosphere for negotiations. Direct U.S. participation in negotiations now permitted security issues and Iran’s regional status to be discussed. The Iranian post-election crackdown on protestors had, however, lent new life to a deterrence-versus-preemption debate in the U.S. long thought buried. The Iranian leadership was said to be radicalized and dominated by military elements that are, possibly, less open to negotiation. The effectiveness of sanctions was also debated; they were said to need more time to take effect. Broader sanctions would only hurt the middle class, would not change regime behavior and Chinese and Russian participation could not be guaranteed. This was not the time to change course, but care should be exercised not to undermine the protestors in Iran while continuing to negotiate with the Islamic Republic.

The next session was devoted to *How to Integrate Regional Partners Into a New Transatlantic Approach?* The session was led by *Geneive Abdo*, Fellow at the Century Foundation, Washington D.C. and *Dr. Oded Eran*, Director of the Institute for National Security Studies, Tel Aviv. The discussion started with criticism of the linkage between the Iranian, Syrian and Palestinian negotiating tracks that had been established by the new Obama administration; they are on different timelines and it is unrealistic to link them.

Iran's recent elections were said to have undermined its credibility as a democratic model in the Muslim world. The Gulf states and other moderate Arab states that felt threatened by nuclear developments in Iran were identified as capable of mounting additional pressure on Iran. Turkey was also pointed to as a possible mediator. Considerable criticism was directed at the U.S.'s inability to achieve more active Russian and Chinese participation, while India was identified as a government that should be engaged more actively on the issue of the Islamic Republic's nuclear program. A continuing struggle for primacy among "hard-liners" and "pragmatists" in Iran was said to be likely in the immediate term. The regime was said to feel weak due to electoral disappointments both at home and in Lebanon and due to Iran's declining legitimacy in the *Shī'ite* world because of the electoral tactics employed in Iran. The record was said to show that the Islamic Republic has historically been more willing to negotiate when it felt weak. The focus of talks should be Ali Hoseyni Khāmene'i and those around him. Care should be taken to treat Iran as an equal. History was also said to show that an indirect approach to Iran – opening negotiations with another topic of interest, such as Afghanistan – could be the most fruitful means of eventually getting to the main issue of interest to the international community – the nuclear program.

The final session was devoted to *The Future of a German and EU Foreign Policy Towards Iran* and was led by Volker Stanzl, Political Director of the German Federal Foreign Office, Martin Breins, Deputy Head of the Nuclear Non-Proliferation Division of the Ministry of Foreign and European Affairs of the French Republic and by Anthony Phillipson Iran Coordinator in the Middle East and North Africa Department of the United Kingdom's Foreign and Commonwealth Office. Mr. Phillipson was detained in London by local trouble in Tehran and was represented by the United Kingdom's deputy chief of mission in Germany Mr. Hugh Mortimer. Germans were said to have underestimated both the strength of the opposition in Iran and the nature of the government's reaction. The German govern-

ment was calling for an end to the violence and for respect for the right to free assembly while trying not to interfere in Iranian internal affairs. Participants were reminded of the EU policy of offering both incentives for cooperation and sanctions against non-cooperation. The EU and U.S. had tabled a comprehensive offer in 2007. Tehran had decided to await the outcome of the U.S. presidential election before responding. If no response was forthcoming from Iran by September 2009 much tougher sanctions were likely to be introduced. On the other hand, recent turmoil in Iran may paralyze the country's leadership, which could lead to no response whatsoever. In this context the public needs to be reminded that it is Iran that has been putting obstacles in the path of progress towards a solution – not the international community. The EU's willingness to act jointly in imposing sanctions was openly questioned. Recent events in Tehran and Washington were said to have improved the probability of such coordinated action. Participants asked whether Israel would strike Iran, if Tel Aviv deemed it necessary, dwelt on the technical difficulties of such an operation and wondered whether containment with all its risks to credibility and security was a policy option that had not received adequate consideration to date.

Keynote Speech
WEIGHING THE OPTIONS – HOW TO IMPROVE IRAN’S COOPERATION WITH THE INTERNATIONAL ATOMIC ENERGY AGENCY AND THE UNITED NATIONS SECURITY COUNCIL?

The conference opened with a keynote address from a former senior United Nations official involved in nuclear disarmament and non-proliferation efforts. The speaker argued that the international community should pursue a strategy of negotiation with the Islamic Republic of Iran (Iran) with the short-term goal of effective verification by the International Atomic Energy Agency (IAEA), rather than a suspension of the Iran’s nuclear program. He saw no viable alternative to negotiations, as bombing would prompt Iran to abrogate the Non-Proliferation Treaty (NPT) and open the way for an uncontrolled nuclear weapons program. Iran has the financial clout to withstand economic sanctions.

The speaker then launched his main argument that verification must come first, suspension later. He argued that technological advances have strengthened the IAEA’s verification tools considerably. However, the speaker also pointed to three areas in which the international community must push Iran to grant the IAEA more intrusive rights in order for verification to be effective. First, Iran should give the IAEA access to so-called “Early Design Information”, meaning the IAEA gets access to detailed information about any new facility as soon as its construction is approved. Second, Iran should be compelled to permit the IAEA to install additional surveillance cameras, a right the IAEA has under existing rules but that is not respected by Iran. Third, Iran should reverse its abrogation of the 1997 Additional Protocol to the 1968 Treaty on the Non-Proliferation of Nuclear Weapons which allows the IAEA to inspect a much broader range of facilities, including those that are not directly related to the nuclear program. Iran had ratified this protocol in 2003, but reversed course and cancelled implementation in 2006.

In the speaker’s opinion, this approach could give the international community adequate assurance that Iran is not obtaining nuclear weapons, while imposing conditions on Iran that Iranian leaders would find much easier to accept than a full suspension of the program. With pressure and appropriate incentives, the speaker maintained that chances of success would be quite high. He also pointed to two issues, which have – to date – wrongly been placed at the center of the debate. One is past activities, meaning Iran’s nuclear program in the 1980’s and 1990’s, which the speaker characterized as amateurish and irrelevant. The other is the demand that Iran suspend its enrichment activities, which is not only problematic legally under the Non-Proliferation Treaty, but also does not have strong support in the international community, particularly in the developing world. Furthermore, suspension would be difficult to verify technically.

The speaker closed with a defense of verification as a strong tool available to the international community. He reminded the audience of scientific progress in recent years that had enhanced the effectiveness of verification. Therefore, any violation of the Non-Proliferation Treaty could be detected immediately and made public, paving the way for a strong, unified response from the international community.

Session I
LESSONS LEARNED?
A NEW TRANSATLANTIC APPROACH TOWARDS IRAN AND ITS NUCLEAR PROGRAM

The first session focused on the various strategies the United States and the member states of the European Union might adopt to deal with Iran and its nuclear program. Advantages and disadvantages of each strategy were weighed considering both Iran’s behavior in past years as

well as recent developments in the weeks leading up to the conference. The session opened with reminders that Iran's political landscape had changed dramatically in recent weeks and that each possible strategy comes with a certain shelf life or "sell by date" attached to it, which should be kept in mind during the discussion.

U.S. policy towards Iran under the new Obama administration was discussed next. The Obama team set two new priorities after taking office. First, they revived NPT-related agreements and nuclear arms negotiations, which met the desires of Russia and many developing countries and thereby defused much of the international criticism of the United States. Second, they emphasized the nuclear issue as their top priority and paid little attention to attempts at regime change, believing that the latter would be an impediment to negotiations. The expectation was that this approach would provide a basis for successful negotiations with whoever prevailed in the Iranian elections.

A participant then pointed to questions that recent events in Iran have raised regarding this strategy. Given the massive protests, regime change suddenly seems like a less remote possibility. Moreover, the Iranian leadership sees the current protests as instigated by Western governments, which could make it even less open to negotiation in the future. As to the United States of America, the speaker maintained that domestic pressure had forced President Obama to take a tougher stance towards the Iranian regime after the presidential election than he might at first have liked. The speaker saw a time worn debate between deterrence and preemption as now having been revived. Although this debate had seemingly been settled, the nature of the Iranian regime, which the speaker characterized as risk seeking, indifferent towards domestic and international opinion and increasingly dominated by hard-liners, was said to have caused the administration to start to rethink its position.

Germany's Iran policy was considered next. Four issues were identified as constantly being of importance when dealing with Iran: weapons of mass destruction, Israeli-Palestinian issues, support for terrorist groups and human rights. The German government insists upon free and fair elections and freedom of assembly while seeking to avoid interference in Iranian internal affairs. The German goal is to change the behavior of the Iranian government, not to change the Iranian regime.

The differing roles that the EU and the U.S. have played in negotiations with Iran were then examined. In the past, U.S. policy centered both on making demands of the Iranian government and on using international pressure and sanctions. The EU, while partly going along with this strategy, also offered generous incentives to Iran to cooperate. The new U.S. administration has changed course by offering the Islamic Republic direct negotiations without preconditions. The speaker praised this new approach, as U.S. participation in negotiations now permitted discussion of security issues and Iran's regional status, which had not been possible when the EU alone was involved. Skepticism was voiced towards sanctions. The Iranian leadership was said to make decisions based on political, not economic calculations. The analytical importance of applying a consistent standard (i.e. complete success in both cases) when comparing possible military strategies towards Iran with possible diplomatic strategies was also stressed.

A brief overview of the British position towards Iran followed. The British government had yet to find a logical interpretation for the arrest of eight locally employed British embassy staff in Tehran, in the aftermath of the presidential election and just prior to the beginning of the conference. Verification and suspension were said to be equally important with respect to Iran's nuclear program. Recent events should not change the international community's stance towards Iran. The international community should continue clearly to signal its needs and concerns and its commitment to seeing them addressed.

The following discussion was lengthy and lively. There was a heated debate over the effectiveness of sanctions, with some speakers arguing that sanctions have not been fully tried yet and that broader sanctions should be given more time to take effect. Others thought that the Iranian leadership would be unaffected by sanctions and that they would merely hit the middle class, as in the example of Iraq. Furthermore, there were doubts about Chinese and Russian support for tougher sanctions. Another highly contested issue was how to negotiate with the Iranian government while showing support for those protesting the outcome of the recent elections. Given the urgency of the nuclear question, most speakers agreed that some form of negotiation with the Iranian government was unavoidable, although one speaker did suggest suspending all diplomatic efforts until the domestic situation in Iran becomes clearer. Participants agreed that striking the right balance between the need to continue negotiations and the danger of thereby undermining the democracy movement in Iran is an extremely delicate issue.

A serious debate about the changes the Iranian government was undergoing due to the post-electoral crisis also took place. Some argued that the regime had undergone a radicalization and was increasingly dominated by armed groups and the radical clerus. Others thought that the crisis would actually strengthen moderates who are less confrontational towards the international community, whom the regime must approach if it is not to collapse. This also brought up the question of the opposition's position on the nuclear program, and whether the opposition would be more willing to yield to Western demands than the incumbent regime. The session closed with a discussion of the reasoning behind Iran's decision to suspend its nuclear weapons program in 2003, and the question whether anything can be learned from the case of North Korea that is relevant when addressing the Iranian nuclear issue.

Session II

HOW TO INTEGRATE REGIONAL PARTNERS INTO A NEW TRANSATLANTIC APPROACH?

The goal of this session was to provide a more in-depth treatment of the Middle East region; it started with an analysis of the current power structure in Iran with a special focus on developments in the immediate aftermath of Iran's presidential elections.

The popular movement was crushed by the regime's military might. Opposition leader Mir-Hossein Mousavi will also likely be marginalized. Yet, unlike 1999, this popular movement is likely to have a long-term impact, because, it included not just students, but the middle class and a notable number of women as well. For the immediate future, a continuing power struggle between conservative hardliners around President Mahmoud Ahmadinejad and the "coalition of the concerned", a group of pragmatists including former presidents Ayatollah Akbar Hashemi Rafsanjani and Seyed Mohammad Khātāmī is likely. The arrest of eight locally employed staff of the British embassy can be interpreted as a provocation by hardliners designed to cause the international community to quit negotiations over Iran's nuclear program, thereby allowing hardliners to portray the prospects for negotiations as hopeless.

The lessons learned from multiple previous U.S. attempts at negotiation with the Islamic Republic were then systematically examined. Iran was said to be more willing to negotiate when it felt itself to be in a position of weakness. Iran engages in negotiations in order to be part of a process, not necessarily in order to achieve concrete results. Negotiations should be directed at Supreme Leader Ali Hoseyni Khāmene'i as the ultimate authority. Discussions aimed at resolving the nuclear issue should begin with a discussion of another topic of interest to Iran - such as Afghanistan. Iran wants to be treated as an equal partner in negotiations, not as a rogue regime. The facts that Ahmadinejad's weakened post-election position might lead to a change in be-

havior on his part during his second term, and that many clerics are very critical of the brutal crackdown and may no longer support the regime were also noted.

The role of other major players in the international community and their stance towards Iran was next on the agenda of discussion. The U.S. was criticized for not being sophisticated enough to persuade the Russian Federation and the People's Republic of China to support the adoption of a tougher line towards the Islamic Republic. The Iranian issue ought to be included in any bilateral talks between the U.S. and Russia, regardless of what else is on the agenda. And, although India has serious economic reasons not to support a tougher sanctions regime vis-à-vis Iran, India can be engaged on this topic since India is also sensitive to the emergence of other nuclear powers in the region, notably Pakistan.

The Israeli-Palestine and Israel-Syria axes, and whether there is a linkage between them and nuclear diplomacy with Iran were discussed next. There can be no such linkage, according to one participant, because, as she put it, "the clocks don't match". Any agreement between Israel and Syria would take at least five years to reach and implement, and a resolution of Israeli-Palestinian issues could take even longer. With Iran, however, the time available until Iran potentially crosses the nuclear weapon threshold is much shorter. So the issue of the Islamic Republic's nuclear program will need to be addressed within a very different time frame. Gulf states also feel threatened by the prospect of an Iranian neighbor armed with nuclear weapons. They too are capable of mounting some resistance to such a trend, adding further to Iran's international isolation. Turkey was also singled out as a possible mediator in resolving the questions surrounding Iran's nuclear program, given the strength of Turkish-Iranian relations.

During the following discussion, several participants referred to the assessment that Iran is more willing to enter negotiations when it perceives itself to be in a position of

weakness, and asked whether the government of Iran currently considered itself to be in such a position. Most speakers contended that Iran's leadership indeed believes itself to be in a position of weakness due to eroding domestic support and external events such as the recent election in Lebanon. Another point of contention was the extent to which Russia is willing to apply pressure to Iran to prevent it from obtaining nuclear weapons, and the question of what other political objectives the Russian Federation may be pursuing that conflict with this goal.

The impact of recent events in the Islamic world was also discussed. Several speakers argued that, as a result of the irregularities in the Iranian presidential election and the ensuing crackdown on those protesting them, Iran could no longer credibly claim to be an Islamic democracy and had lost its status as a model for other Islamist movements. Furthermore, one speaker explained, support for the regime from *Shi'ite* clerics was eroding for theological reasons, as the increasingly political and military nature of the regime runs counter to *Shi'ite* theological tradition. Several participants expressed the hope that other states in the Arab world that feel threatened by Iran's nuclear program would be more willing to confront Iran in the future.

Session III THE FUTURE OF A GERMAN AND EU POLICY TOWARDS IRAN

This session involved a more detailed examination of the European and particularly the German approach to Iran and its nuclear program. Participants were reminded of some of the issues that have been at the center of the debate thus far, including the dilemma of how to negotiate with Iran in light of the outcome of Iran's presidential elections, what the agenda of negotiations should be, which role sanctions can play, and what other policy options remain.

Iran was said to be an important German partner in commerce and culture just ten years ago, but this relationship has been overshadowed more and more by the nuclear issue. Three concerns were highlighted: the increased repression of Iran's highly evolved civil society, Iran's quest for regional dominance, and Iran's nuclear ambitions. The EU's current policy towards Iran was described as consisting of "two circles", whereby the EU offers economic cooperation while also threatening tougher sanctions. In coordination with the Bush administration, the EU made a formal offer to the Islamic Republic of Iran in 2007; it was said to have been very comprehensive. Tehran considered this offer, but did not respond, as it wanted to await the outcome of the forthcoming presidential election in the United States of America. The Obama administration was now said to be going beyond the incentives contained in the 2007 paper, offering the prospect of a normalization relations between the United States and the Islamic Republic. It was made clear that Iran has until September 2009 to accept the offer; if not, much tougher sanctions would be put in place. German officials were said to have underestimated both the strength of the opposition movement and the harshness of the regime's reaction to it. The German government insists upon freedom of assembly and an end to violence while trying not to give the impression that Germany is not intruding into Iranian domestic politics.

The importance of setting priorities when dealing with Iran in light of the many goals and few instruments at hand was emphasized. As was the fact that, since 2003, the EU, under the leadership of France, Germany and Britain, had both increased international pressure on Iran by winning support for five UN Security Council resolutions, but had also offered to negotiate and had supported President Obama's policy of an "extended hand." The objective of this policy is the suspension of Iran's uranium enrichment program. With regard to the current crisis, three possible outcomes were possible: a violent crackdown on the protestors, a period of moderation and compromise, or a prolonged stalemate. Some policy recommendations for the future were also of-

ferred. Continuing to prioritize the question of nuclear weapons over regime change was advocated. To resolve this issue, the EU will need to put in maximum effort, as the turmoil after Iran's presidential election may have paralyzed Iran's leadership and made it less likely that the Iranian government will respond to any future offers at all. The international community needs to be reminded that it is Iran that is putting obstacles in the path of reaching a solution and should be mobilized by toughening sanctions via the UN. Only if that is not possible, should the EU act independently. There was some confidence that the EU could act with one voice, due to the growing unease concerning Iran's nuclear program, Iran's authoritarian drive and the new American strategy, which facilitates a common approach.

During the discussion, participants examined possible motives for Iran's pursuit of a nuclear weapon. Some thought that Iran wants a nuclear capability out of concern for its own security, but one speaker brought up the possibility that the nuclear weapons could be a means by which to achieve regional hegemony. Another point of discussion was the willingness of the EU to act jointly to impose tougher sanctions, which, as one speaker pointed out, might be more difficult during the current financial crisis. There were also questions, again, about the effectiveness of tougher sanctions, given that any additional sanctions would not be targeted at the nuclear infrastructure directly but would have a much broader reach.

The discussion also turned to alternatives to negotiations and sanctions. One speaker asked if Israel would execute a military strike against Iranian facilities if it deemed such an attack necessary. Another speaker pointed out the technical difficulties and far-reaching political implications of such a strike. One participant inquired whether containment presented another policy option that had not been adequately considered to date. In response, two speakers argued that containment was not a viable option, as it would damage the credibility of the international commu-

nity greatly and would be difficult to implement without assuming great security risks.

Closing Remarks

The need for symbolic diplomacy and for building understanding within the international community for the importance of the Iran nuclear program issue was emphasized at the conclusion of the conference. A comprehensive strategy is needed that combines many of the approaches discussed, including: negotiations, stronger sanctions, and also the possibility of military action. The conference closed on a note of optimism: despite the real challenges presented by the Iranian nuclear program, a solution can still be found. ■

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