Iranian Supreme National Security Council (ISNSC)

According to Article 177 of the Constitution, the responsibilities of the SNSC are as follows:

- 1. To determine the national defense/security policies within the framework of general policies laid down by the Leader.
- 2. To coordinate political, intelligence, social, cultural and economic activities in relation to general defense/security policies.
- 3. To exploit material and non-material resources of the country for facing internal and external threats.

The typical makeup of the council is:

Heads of the three Powers (Executive, Legislative and Judiciary)

Chief of the Supreme Command Council of the Armed Forces (SCCAF)

The official in charge of the Plan an Budget Organisation (PBO)

Two representatives nominated by the Leader

Minister of Foreign Affairs, Minister of the Interior, and Minister of Information (Intelligence) Ministers concerned with the subject

The highest authorities of the Army and the Islamic Revolution's Guards Corps (IRGC)

For the special session convened today, the Supreme Leader will be present along with one representative. Because of the complicated nature of the topic being discussed, the other Council members will be:

- 1. Head of the Executive- President Mahmud Ahmadinejad
- 2. Head of the Legislative- Majlis Speaker Gholamali Haddad-Adel
- 3. Head of the Judiciary- Avatollah Mahmoud Hashemi Shahrudi
- 4. Chief of the Supreme Command Council of the Armed Forces (SCCAF)- Major General Ataollah Salehi
- 5. Vice President and Head of Management and Planning Organization, formerly the Plan and Budget Organisation (PBO)- Farhad Rahbar
- 6. First Vice President- Parviz Davudi
- 7. Secretary of Iran's Supreme National Security Council (SNSC) and Chief Nuclear Negotiator-Mohammad-Javad Larijani
- 8. Minister of Foreign Affairs- Manuchehr Motaki
- 9. Minister of the Interior- Mostafa Pur-Mohammadi
- 10. Minister of Information (Intelligence and Security)- Qolam Hosein Mohseni-Ejei
- 11. Chief of the Army- Brigadier General Mohammad-Hossein Dadress
- 12. Chief of the Islamic Revolution's Guards Corps (IRGC)- Major General Yahya Rahim Safavi
- 13. Head of the Guardian Council- Ayatollah Yusef Jannati-Sanei
- 14. Minister of Defence- Rear Admiral Mostafa Mohammad Najar
- 15. Vice Pres. for Atomic Energy- Qolam Reza Agazadeh-Khoi
- 16. Min. of Science, Research, & Technology- Mohammad Mehdi Zahedi
- 17. Minister of Energy- Parviz Fatah
- 18. Permanent Representative to the UN- Javad Zarif

The following is a policy analysis intercepted by our intelligence service. It was approved by the European Union Council for transmission to the State Department of the United States of America. It outlines a possible course of action that the European Union hopes the United States will accede to undertaking.

TOP SECRET

A Study on the Iranian Nuclear Threat

"It is no exaggeration to say that the US and Iran are on a collision course." The US cannot accept a nuclear-armed Iran. Iran's leadership continues to insist on having a civilian nuclear program, a domestic nuclear fuel cycle, and according to intelligence reports, continues to maintain a clandestine nuclear weapons program. The security demands of the United States cannot be met in a world where the current ambitions of Iran coexist. The foreign and security policies of the United States and the current actions of the ideologically conservative leaders of Iran are now speeding trains, moving towards each other on the same track. It is the European Union that stands on those tracks and must help both states avoid a collision.

The European Union can only do so by accomplishing three major objectives. First, with respect to the US, the European Union must prove that its policy of "conditional engagement" can produce results and that the American policy of isolating and marginalizing Iran only serves to radicalize Iran further by strengthening anti-Western forces. By showing that engagement works, the European Union can convince the United States to abandon its failing policy and begin the process of normalizing relations with Iran. Secondly, the European Union must take

¹ Everts, Steven. The Ultimate Test Case: Can Europe and America Forge a Joint Strategy for the Wider Middle East? International Affairs; 80/4 (2004). p. 681.

the success of its dealings with the United States and convert it into a stronger bargaining position with respect to Iran. A stronger bargaining position for the European Union requires two factors. The European Union must be able to offer Iran something it values as greatly as a nuclear weapons program and must also improve the reception of its proposals by ensuring that it is negotiating with a willing party. If Iran senses that the European Union can provide it with the achievement of its major goals in exchange for giving up its nuclear ambitions, then pragmatic conservatives in Iran will be willing to deal. However, before the big negotiations can even begin, the European Union must make some small compromises which will benefit Iran in order to build up the power, legitimacy, and support of Iran's pragmatic conservatives who are the only viable party to any negotiations. Finally, the first two objectives cannot be met unless the third one is accomplished. The European Union must remain united in order to remain strong. "Too often the EU is ineffective... because member-states undermine a tough common stance for short-term political or commercial reasons. This is a general problem for EU foreign policy that does not apply only to Iran – and it is self-inflicted."

A united international front presented by the US and the European Union and its member-states can at least secure Russia's and China's passive cooperation with the actions of the US and EU if not outright support from the two nonaligned permanent members of the Security Council. This cooperation is necessary because of the power Russia and China wield with their vetoes on the UN Security Council. In any vote to place sanctions on Iran for developing nuclear weapons and/or violating the Nuclear Nonproliferation Treaty, Russia and China must at least abstain in order to sanction Iran. Iran must be made to believe that grave punishments like sanctions by the UN Security Council will be imposed if it fails to stop nuclear

² Everts, Steven. Engaging Iran: A Test Case for EU Foreign Policy. <u>CER</u>; London, 2004. p. 33.

weapons development. Furthermore, Japan will almost certainly agree to participate in providing economic disincentives to Iran should it not cooperate.

"A combined U.S.-E.U. front will likely pick up Russia and be able to isolate Iran." Furthermore, as Everts generalizes, "the big international players – the US, the EU, Russia and Japan – are closer on Iran than they ever were on Iraq. All suspect that Iran is developing nuclear weapons – and all believe that concerted international action is needed to prevent the country from gaining a nuclear capability."

Recent actions by Russia also suggest that while they want to continue working with Iran's civilian nuclear program, a very profitable venture for the Russians, they nevertheless want to prevent Iran from developing weapons. "Russia and China have extensive energy and economic dealings with Iran and... have declared that Iran should not be allowed to have nuclear weapons." In fact, a recent delay in "consideration of sending Iran's case to the UN Security Council was aimed at reopening negotiations on a Russian proposal for a compromise which would allow Iran to enrich uranium, but only in Russia and under strict controls." While more analysis is needed to determine whether Russia and China will cooperate with the US and European Union, both the opinions of experts and Russia's proposal made to Iran suggest that both Russia and China would put in some work and would certainly not block attempts to prevent Iran from developing nuclear weapons.

"If Iran is intent upon becoming a nuclear weapons state, there is little that Europe or the United States can do to prevent it." The US and Europe would have no options short of a military strike to prevent Iran from developing a nuclear weapon. The European Union must

³ Perkovich, George. Changing Iran's Nuclear Interests. Carnegie Endowment for International Peace. May, 2005. p. 7.

⁴ Everts, Steven. Engaging Iran: A Test Case for EU Foreign Policy. <u>CER</u>; London, 2004. p. 4.

⁵ Weisman, Steven R. and Sanger, David E. U.S. and Britain Try a New Tack on Iran. New York Times; December 4, 2005.

⁶ Bernstein, Richard. Atomic Agency Delays Action on Iran. New York Times; November 25, 2005.

⁷ Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 25.

assume that Iran has not yet committed itself to acquiring a nuclear weapon or, if Iran has made the choice to pursue a nuclear weapon, then that Iran can at least be influenced to reject this earlier choice. The evidence so far points to Iran developing a nuclear weapons program without committing itself to building a nuclear weapon, but military action remains a distinct possibility. "As a result of the IAEA's inspection, there is an emerging consensus among international analysts that, at a minimum, Iran wants to become self-sufficient in nuclear matters by controlling the nuclear fuel cycle."

While the jury is still out on Iran's nuclear weapons development, Iran's actions and words portray it as being fully committed to developing a civilian nuclear program as well as retaining control of the nuclear fuel cycle on its own territory that would feed that civilian program. However, it is still possible that Iran can be dissuaded from maintaining such a choice and convinced to accept nuclear fuel shipped from Russia. Thus, while Iran has stated, "We will never abandon our right to the nuclear fuel cycle," it is still possible that they may agree to receiving reactor-grade enriched uranium fuel for a civilian nuclear program from Russia while officially not abandoning that philosophical "right to the nuclear fuel cycle." A Russian proposal which has been backed by the EU-3 provides Iran with a "face-saving way out of its tense standoff by arguing that it has retained what it contends is its right to enrich uranium as a signer of the international Nuclear Nonproliferation Treaty, but has simply chosen to do so at facilities in another country." In effect, we assume that Hamid Reza Assefi, the Iranian Foreign Ministry spokesman, is telling the truth when he said during a weekly news conference, "The door is open to discussions. Nothing has been closed."

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⁸ Everts, Steven. Engaging Iran: A Test Case for EU Foreign Policy. CER; London, 2004. p. 11.

⁹ Fathi, Nazila. Iran Reports Making Bid to Resume Nuclear Talks. New York Times; November 7, 2005.

¹⁰ Sanger, David E. U.S. and Europe to Give Iranians New Atom Offer. New York Times; November 10, 2005.

¹¹ Fathi, Nazila. Iran Reports Making Bid to Resume Nuclear Talks. New York Times; November 7, 2005.

PART 1: US-EU RELATIONS AND EUROPEAN UNITY POST-IRAQ AND PRE-IRAN

"All this sounds terribly familiar: regime change, weapons of mass destruction, non-compliance, transatlantic rift, Britain's choice. The key ingredients for another international bust-up are in place." The US and Europe know that they must work together to prevent Iran from developing nuclear weapons. Only a united front will achieve results. "European countries have argued that a vote that does not reflect a broad consensus on the [IAEA] board [of governors] will send a signal of division in the West and not persuade Iran to cooperate." Cooperation within Europe and between Europe and the United States is absolutely necessary to convince Iran that it must give up its nuclear weapons program. Moreover, cooperation in this crisis is an "opportunity to renew and recast transatlantic cooperation... to repair the diplomatic rift between much of Europe and the United States."

The rift between the Bush administration and President Jacques Chirac's government was enormous during the lead up and war in Iraq. There was brutal sniping back-and-forth from calls to boycott French goods and rename French fries as freedom fries to sneers that nothing else can be expected from a country led by a cowboy. Yet, the French and American leaders have realized how essential it is to work together with regard to Iran. Recently, President Chirac showed just how closely the French and Americans stood on Iran by "warning that it would face censure by the UN Security Council if it did not reinstate a freeze on sensitive nuclear activities." The position that Iran's non-cooperation will lead to a referral to the Security Council is one that has now been endorsed by the US, Great Britain, France, and Germany. "In taking such a tough line, Mr. Chirac sends a clear signal... that France has moved closer to the

¹² Everts, Steven. Engaging Iran: A Test Case for EU Foreign Policy. CER; London, 2004. p. 3.

¹³ Weisman, Steven. U.S. and Europe Put Off Referral of Iran Case to Security Council. New York Times; November 23, 2005.

¹⁴ Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 4.

position of the United States, which has long held that Iran's case belongs in the Security Council." ¹⁶

President Chirac makes clear that Iranian non-cooperation will lead to a concerted effort by the US and European Union to convince the international community to sanction Iran. Iran must appreciate fully the consequences of the threat by properly evaluating the extent of cooperation between the US and Europe. Because a united transatlantic community is much more powerful than any of the pieces acting singly, a threat from the whole is much more likely to affect Iran's calculations than a threat from any of the parts. This united campaign is indeed the type of threat Iran is now facing. It is important that Iran does not miscalculate by assuming that it can split the US and Europe apart when deciding whether to cooperate with their demands. If Iran fails to cooperate because it believes that Europe and the US will never be able to combine their political, economic, and military forces, then it will have made a grave error.

The European Union and the United States will cooperate closely because preventing the development of nuclear weapons by Iran is so important to both. Moreover, international relations experts believe that neither Europe nor the US can affect the necessary change alone. "Iran... is too big, capable, proud, and important for the United States alone to coerce it to make a major change in its behavior." On the other hand, the European Union possesses the historical and economic ties necessary to influence Iran. As Smeland writes,

The European Union is thus endowed with a substantial capacity to influence Iran that must be utilized if there is to be any real progress in curtailing the Iranian nuclear weapons program. However, the European Union cannot accomplish this alone. Like so many issues on the international agenda today, success is unlikely without transatlantic cooperation and policy coordination. The European Union needs the United States, and the United States needs the European Union, in order to effect meaningful change in the policy of the Iranian regime. This cooperation

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¹⁶ Ibid.

¹⁷ Perkovich, George. Changing Iran's Nuclear Interests. Carnegie Endowment for International Peace. May, 2005. p. 8.

must happen now, because on the issue of nuclear weapons, time may be running short.¹⁸

Neither the US nor Europe can achieve the desired outcome alone. It is for this reason that they must and will work together to persuade Iran to abandon nuclear weapons development. Unlike in dealing with Iraq, the two sides recognize that they must work together to achieve the necessary result. The mission may determine the coalition, but when no party in the coalition can accomplish the mission on its own, the mission ensures the unity of the coalition.

One of the key differences in dealings with Iran can be observed from an example of the workings of the UN Security Council. In 2003, Secretary of State Colin Powell went to the Security Council to present evidence of weapons of mass destruction in Iraq. To the untrained eye, the evidence looked solid and almost overwhelming. The goal of presenting the evidence in such a public way was to convince both the American public and individuals in other countries that it was necessary to confront Iraq. At least here in the United States, the evidence was more than enough to convince the public that Iraq presented a threat.

However, as has been revealed more recently, even Secretary Powell questioned the persuasiveness of the evidence. Experts knew that much of the intelligence presented was far from conclusive, definitive proof. What was presented did not meet the standard for going to war. Yet, the US was hoping not to convince experts, but to convince laymen. The US was circumventing the international diplomatic and intelligence communities. It hoped to put pressure directly on the heads of state by convincing their citizens of the grave nature of the threat. This evasion was certainly not appreciated by foreign leaders and caused them to push back harder against the arguments of the United States.

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¹⁸ Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 26.

On the other hand, in the current crisis, American diplomats and intelligence officers are dealing much more directly with their counterparts in other countries. In a new effort aimed at the permanent members of the Security Council, "Britain and the United States are trying to persuade Russia and China to endorse their conclusion... that Tehran intends to build nuclear weapons." Furthermore, they are doing so not in public, but privately. They learned that attempting to embarrass a foreign government into cooperation was more likely to do harm than good. "The diplomats, who asked not to be identified to avoid any possible disruption of the delicate negotiations, say the new effort has been floated by Britain and endorsed by France and the United States." Realizing how important cooperation is in this process, the diplomats are seeking to convince Chinese and Russian arms specialists by sharing with them intelligence found on a laptop in Iran last year. It is also important to note how closely the United States and Europe are working on the issue. Any split over Iraq must be ignored because the United States and Europe must present a united front in order to convince Russia and China that they must help stop the development of an Iranian nuclear weapons program.

The American intelligence community has acknowledged its credibility gap following the intelligence debacle leading up to the war with Iraq. These officials have in fact embraced the open defiance of France and Germany when it came to Iraq in order to highlight the solidarity that exists between the transatlantic allies. Because of the skepticism the administration faces after Iraq, to convince other nations of the validity of information which American intelligence agencies ostensibly recovered off an Iranian laptop, "the American ambassador to the international atomic agency, Gregory L. Schulte, was urging other countries to consult with his

¹⁹ Weisman, Steven R. and Sanger, David E. *U.S. and Britain Try a New Tack on Iran*. New York Times; December 4, 2005. ²⁰ Ibid.

French counterpart. 'On Iraq we disagreed, and on Iran we completely agree,' a senior State Department official said."²¹

However, it is not merely that the European Union must agree on a plan of action with the US, but that it must have even closer cooperation among its own member-states. So far, the individual states have put aside their short-term interests in order to build a common EU foreign policy over this issue. In fact, many experts such as Steven Everts believe that the present crisis over Iranian nuclear development is a superb test case for the joint foreign policy of the EU. The European Union must make sure that it speaks with one voice and one set of foreign policy goals rather than the mixed foreign policy objectives of individual member-states. "By and large, EU members are in agreement regarding their interests vis-à-vis Iran. This situation has facilitated the common stance that the European Union has been able to take." The Europeans have clearly articulated the objectives of their interests in the development of nuclear weapons by Iran. The European Council in a document on European Foreign and Security Policy defines the proliferation of weapons of mass destruction (WMD) as "the single most important threat to peace and security among nations."

The unambiguous nature of the threat that Iran poses to international peace and security because of its continuing ties to terrorist groups along with its nuclear weapons development has allowed Europe to remain united during this crisis. Moreover, as Smeland points out, "This alignment of EU members has been prompted largely by Iranian behavior, but the rethinking of the European collective identity in the aftermath of the transatlantic and intra-European splits over the crisis in Iraq has also given new impetus to the push for collective and cohesive

²¹ Broad, William J. and Sanger, David E. *Relying on Computer, U.S. Seeks to Prove Iran's Nuclear Aims*. New York Times; November 13, 2005

²² Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 4.

action."²⁴ Thus, not only did the Iraq crisis bring about a realization on both sides of the Atlantic that the US and Europe must work closer together, but also that Europe itself must not splinter during this crisis.

Of the parties involved in the crisis over Iranian nuclear development, the European Union as a united body has the most to gain. It can speak with a common voice on the international scene, displaying its viability as an integrated, yet single and clear actor. It can develop a joint foreign policy which moves its members closer together. It can repair the rift among its member-states and between Europe and the US. The European Union can "present itself to Washington not as a constraint or a spoiler of coercive policy, but as a partner who shares the same goals and has a specific toolbox and plan of action to achieve these goals." Europe can take a tough stance to influence the United States without having to fear a split in its own ranks like the one that occurred over Iraq because "to the extent that US and EU policies diverge, as they do, this time Britain is on the European side."

With all this political gain to be made, Europe must be active in seizing the opportunity with an energetic foreign policy. To resolve the crisis, Europe has to achieve three major goals. It must convince the United States to follow the European lead and abandon failing policies with respect to Iran. The European Union must persuade Iran that abandoning its nuclear weapons development program is in its best interest. In other words, "the most important direct impact that the European Union can have on the Iranian regime is to encourage the Iranians to recalculate their interests along more rational and analytical lines." Finally, this cannot be done without European unity. Because it has already been shown that Europe is not fractured over

²⁴ Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 4.

²⁶ Everts, Steven. Engaging Iran: A Test Case for EU Foreign Policy. <u>CER</u>; London, 2004. p. 4.

²⁷ Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 16.

Iran the way that it was over Iraq, we must now shift our focus to the other two objectives: aggressively influencing Iranian and American policies.

PART II: THE EUROPEAN GAME PLAN

"In the fight against the spread of nuclear weapons, the United States has a new and important strategic partner—the European Union. The European Union has a critical role to play, both by itself and in conjunction with the United States, in the effort to curtail Iran's nuclear weapons program."²⁸ As a result of "the United States-Iran relationship, arguably it is the European Union that is best suited to address Iran's interests and influence its policy."²⁹ "If the European Union is now a capable and willing strategic partner to the United States in stopping the spread of nuclear weapons, what should its role be vis-à-vis Iran's nuclear program?"³⁰ A. Developing an Understanding of the Crisis and Actors

To prevent a clash, the Europeans and Americans must first understand the crisis and all of its constituent parts. Having realized that they must work together, the transatlantic partners have to assess the strengths and weaknesses each one possesses. After this accounting, they can form ways of exploiting their advantages and minimizing their shortcomings. All of this must be done with proper attention being paid to how each of the variables interacts with the current Iranian regime. Finally, a plausible goal will be suggested that each of the countries involved in the conflict can view as a successful outcome.

The United States is the lone global superpower. It is feared, hated, and thought of as a threat by Iran. Yet, a normalization of relations with the US and security guarantees from the US would be seen as a major success of Iranian foreign policy. This unspoken goal is one for the achievement of which the Iranians would pay dearly. However, at the present time little progress

²⁸ Ibid., p. 2. ²⁹ Ibid., p. 2. ³⁰ Ibid., p. 2.

American hawks have a tendency to reinforce each others' positions, with each side accusing the other of unremitting hostility and deceit." This hostility between the US and Iran has only made the situation worse. Combined with European trade relations and economic largesse, America's aggressive posture towards Iran has led to an unacceptable result: "the United States stimulating Iran's nuclear program with antagonism, Europe funding it with freewheeling trade relations."

The crisis is "characterized by extreme mistrust and enmity between Iran and the United States, as well as a history of cooperation between Iran and the member states of the European Union." Europe, unlike the United States, is viewed by Iran as a potential partner and as a possible rival to the United States. As Smeland writes,

By virtue of its continued relationship with Iran, the European Union carries a unique set of policy tools that are crucial to managing the nuclear issue successfully. The European Union's points of leverage include economic power, diplomatic prestige, influence over the United States, and technological capital. If the European Union exercises its leverage in a pure carrot-and-stick mode, it can substantially influence Iranian behavior.... A measure of coercive diplomacy may be highly effective in modifying Iran's near-term behavior— particularly because in many ways, the European Union "holds all the cards" in the Euro-Iranian relationship."³⁴

The economic relations between the European Union and Iran have prevented Iran's current economic troubles from reaching drastic proportions. In fact, "Iran played Europe off against the United States, using European economic largesse to mitigate the effects of U.S. sanctions." The Europeans' trade and investment has now become so essential that "in effect, the European

³¹ Everts, Steven. Engaging Iran: A Test Case for EU Foreign Policy. <u>CER</u>; London, 2004. p. 10.

³² Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 19.

³³ Ibid., p. 2.

³⁴ Ibid., p. 10.

³⁵ Pollack, Kenneth and Takeyh, Ray. *Taking on Tehran*. Foreign Affairs; March/April, 2005. p. 4.

Union holds the fate of the Iranian regime in its pocketbook."³⁶ Thus, the Europeans must use this leverage to pressure Iran to give up its nuclear weapons program.

The European Union is viewed as an independent actor apart from the United States because of "the continuing tensions over Iraq, as well as ongoing differences of opinion on the Israeli-Palestinian conflict."³⁷ Thus, the Europeans are seen as a moderating force that can counterbalance the aggressive nature of the Bush administration. The Europeans should use this perception of an independent posture to make it clear that Iran's current actions are not acceptable not only to its enemy, the United States, but even to an economic partner. "For the purposes of credibility vis-à-vis Iran, it is necessary for the European Union to continue to assert its independence from Washington while still maintaining its overall partnership with the United States. It is also necessary for the United States to allow itself to be influenced by the European Union in order to bolster the European Union's legitimacy and bargaining power with Iran."³⁸ By allowing itself to be influenced by Europe, the Americans will show that Europe has significant power and thus can help Iran improve its declining reputation in the international arena. Moreover, American foreign policy must change because "the United States cannot by itself motivate Iranian leaders to change their most threatening behavior. At a minimum, America needs the cooperation of Europe, Israel, and—in the nuclear area—Russia. Second, sanctions, denouncements, and other forms of coercion are insufficient."³⁹

The US and Europe should enhance their strengths by playing into the preconceptions that Iran holds. If Washington continues, as it has done more recently, allowing Europe to lead and be influenced by European calls for negotiation rather than aggression, then it will lend more

³⁶ Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 14.

³⁷ Ibid., p. 24. ³⁸ Ibid., p. 24.

³⁹ Perkovich, George. Changing Iran's Nuclear Interests. Carnegie Endowment for International Peace. May, 2005. p. 8.

legitimacy and credibility to European claims that they can help Iran avoid a confrontation with the United States. Because Iran fears such a confrontation, Iranian "ideologues, who view a conflict as inevitable, believe that the only way to ensure the survival of the Islamic Republic... is to equip it with an independent nuclear capability."⁴⁰ Reducing Iranian anxiety about a conflict with the United States would go a long way towards quelling its desire for nuclear weapons. However, while the Europeans should allay fears of an imminent American military attack, they should continue to let Iranian leaders know about the threat in private. It is important that the threat be delivered in private "to minimize the likelihood that Tehran would dig in its heels to avoid appearing to cave to foreign pressures."

It is not all a matter of strengths for the Europeans and Americans when it comes to Iran. Both still suffer from serious weaknesses, and these disadvantages must be minimized in order to make progress in resolving the longstanding conflict. The most obvious weakness is Europe's lack of unity. This weakness has been addressed elsewhere and it has been shown that the European Union can overcome their division if they can focus on how critical the larger goal of stopping nuclear weapons development by Iran is to each member-state. They have so far been able to surmount this obstacle. America's weakness is that the nation is too democratic when it comes to being able to have a strong foreign policy. A President's actions as Commander-in-Chief and Chief Diplomat are too often based on public opinion and perceptions at home rather than strategic interests. Too often the policy selected is the one that is most successful at winning the next election for the President or his party rather than the one that is most successful at advancing American geopolitical interests abroad. Therefore, it is critical not only for the Iranians that the negotiations are done in private, but for the Americans as well.

⁴⁰ Pollack, Kenneth and Takeyh, Ray. *Taking on Tehran*. Foreign Affairs; March/April, 2005. pp. 2-3.

The final resolution for the current deadlock is an agreement by Iran to give up not only its nuclear weapons program and allow inspectors to closely monitor its compliance, but also to give up uranium enrichment and reprocessing on its soil. Iran will be allowed to maintain a civilian nuclear program with guaranteed foreign fuel shipments. As Perkovich concludes,

The European Union and the United States, plus Russia, must build robust mutual trust that none will accept a result short of Iran's willingness to build a nuclear power program that relies on guaranteed foreign fuel services and eschews uranium enrichment and plutonium separation facilities in Iran. That bottom line must be immovable; once this is firmly agreed, the European Union, the United States, and Russia must then be willing to cooperatively devise incentives to raise Iran's interest in such an arrangement and disincentives to dissuade Iran from pursuing unsafe nuclear policies. If Iran perceives such a unified European–American–Russian front, it can be expected to conclude that the benefits of accepting the proposed trade-off are greater than the costs of becoming isolated by the United States, Europe, Russia, and the other states that would join them."

The ultimate goal for the United States, Europe, and even Russia must be clearly defined and rigorously sustained by all of them.

B. Europe's Partnership with the United States

The domestic political situation in the US does not allow for the American government to directly approach Iran with any sort of compromise. When the New York Times recently reported that the United States along with the EU-3 was an author of a proposal made to Iran, "Secretary of State Condoleezza Rice distanced the Bush administration... from a new proposal to resolve the Iranian nuclear dispute, describing the United States as intently interested in the problem but not an author of the proposed solution." Thus, it must be the European Union which serves as an intermediary with Iran. There has already been a model for such a European role as a mediator between the United States and a rogue state. "The British government was the main mediator in reaching a settlement that satisfied the interests of both the United States and

⁴¹ Perkovich, George. Changing Iran's Nuclear Interests. Carnegie Endowment for International Peace. May, 2005. p. 8.

⁴² Weisman, Steven R. Rice Denies U.S. is Leading Nuclear Talks with Tehran. New York Times; November 11, 2005.

Libya, [showing] the value in European bridge building between the United States and so-called rogue states." Consequently, Brussels must serve as a connection between Washington and Tehran where the domestic political circumstances of each do not allow them to interact directly.

It is also necessary that the Europeans do not send mixed signals, not only as individual member-states, but also positions that may conflict with those of the United States. Since Smeland said, "The European Union should be prepared to go the last mile, and bring its stance on Iran's nuclear proliferation into full alignment with that of the United States," the European Union has brought its policies closer and closer to that of the United States. As evaluated earlier, the difference in the positions of the United States and the European Union may now be a matter of feet if not mere inches. In exchange for this movement, "the European Union should press the United States to move away from a policy of outright regime change and clarify specifically which regime behaviors must change." To do this, "the EU must [first] convince a sceptical Washington that its strategy of negotiation, pressure and incentives can influence Tehran's behaviour and, ultimately, persuade Iran to refrain from seeking nuclear weapons." The policy changes that the US should specify are an end to the nuclear weapons program and the attempts to have a domestic nuclear fuel cycle and, of course, an end to the support of terrorism by Iran.

"Iranian officials and commentators characterized the European-Iranian interactions as 'paying dividends' for Iranian interests in the face of U.S. antagonism." However, despite those descriptions, Iran continued to maintain a clandestine nuclear weapons program. The European Union and the US have assumed roles when it comes to dealing with Iran, and "the

⁴³ Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 24.

⁴⁴ Ibid., p. 20.

⁴⁵ Ibid., p. 22.

⁴⁶ Everts, Steven. Engaging Iran: A Test Case for EU Foreign Policy. <u>CER</u>; London, 2004. p. 10.

⁴⁷ Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 17.

current 'good cop-bad cop' routine has produced good results."48 Yet it is time to change those roles because Europe has little left to give as the good cop and America has little left to threaten as the bad cop. As Thomas Friedman quotes Timothy Garton Ash of Oxford, "Europeans need to offer a more credible stick and the Americans need to offer a more credible carrot."49

There are two factors stopping the United States from being an effective "bad cop." First, whenever the United States pushes, the Iranian regime pushes back. Iran's conservatives cannot back down in the face of American threats. Even "the ascendant pragmatic conservatives will probably resist anything that smacks of bowing to external pressure, especially when it comes to the country's internal evolution."⁵⁰ This reaction is even more likely if the pressure is coming from the Great Satan. Secondly, America has nothing left to threaten other than military action, which Iran knows or at least believes is highly unlikely at this point in time because the American military is already overextended. Consequently, American threats cannot be and will not be successful.

On the other hand, Iranian leaders will gloat over giving up a "nonexistent nuclear weapons program they were never pursuing" in exchange for economic incentives from the United States. In this way, the Iranian leadership will be able to save themselves from publicly bowing to Western pressure which Europe will be providing. While the United States is offering carrots, the European Union must be providing sticks in the form of a threat of targeted economic sanctions. Iranian capitulation will come only as a result of fearing actual harm from the Europeans. The change that must come in European rhetoric towards Iran and their altered negotiating stance which threatens penalties rather than promising rewards will be the focus of the next section of the paper. These threats are more menacing than anything the United States

⁴⁸ Everts, Steven. Engaging Iran: A Test Case for EU Foreign Policy. CER; London, 2004. p. 19.

⁴⁹ Friedman, Thomas L. *The Geo-Green Alternative*. New York Times; January 30, 2005. ⁵⁰ Everts, Steven. Engaging Iran: A Test Case for EU Foreign Policy. <u>CER</u>; London, 2004. p. 33.

can make because the Iranian economy which now is only able to sustain itself by the virtue of high oil revenues is extremely vulnerable to sanctions by Europe.

In order to ensure that the Europeans do in fact punish Iran with sanctions for noncompliance, the US must offer the carrots. "European diplomats have consistently said that they can persuade their reluctant governments to threaten serious sanctions for Iran's continued misbehavior only if the United States agrees to reward compliance with real economic benefits."51 This may already be occurring as a "European warning [that UN Security Council punishments may be sought] came as a diplomatic counterpart to a statement by Secretary of State Condoleezza Rice confirming that the United States, too, had shifted its position on Iran-in its case toward a more conciliatory approach offering limited economic incentives if Iran cooperated on nuclear matters."52 Furthermore, the New York Times mentioned that "It was noteworthy that the criticism was made by Europe, which has been negotiating with Iran over its nuclear program, instead of the United States, which has pressed most strongly to refer Iran's program to the Security Council for possible penalties." Thus, Secretary Rice's recent mentions that President "Bush would drop his objections to Iran's application to the World Trade Organization and would 'consider... the licensing of spare parts of Iranian civilian aircraft'"54 present the Bush administration's first attempts at offering Iran positive incentives if it were to give up its nuclear weapons program.

In conclusion it is important to note that "so long as Washington continues to be (a) the unambiguous leader of the international order, and (b) utterly antagonistic toward Iran, the European Union will only meet with limited success in influencing Tehran's policies."⁵⁵ It is

⁵¹ Pollack, Kenneth and Takeyh, Ray. *Taking on Tehran*. <u>Foreign Affairs</u>; March/April, 2005. p. 5.

⁵² Weisman, Steven R. Europe and U.S. Agree on Carrot-and-Stick Approach to Iran. New York Times; March 12, 2005.

⁵³ Bernstein, Richard. Atomic Agency Delays Action on Iran. New York Times; November 25, 2005.

⁵⁴ Weisman, Steven R. Europe and U.S. Agree on Carrot-and-Stick Approach to Iran. New York Times; March 12, 2005.

⁵⁵ Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 18.

Europe that must continue moving the United States towards a more conciliatory stance on Iran while itself moving towards adopting an American outlook on the punishments Iran must suffer if it continues to develop a weapons program.

C. Europe's Actions Towards Iran

"What is needed now is for the Europeans and the United States to switch roles: for the Europeans to play the bad cop and the United States to play the good cop." Either America will reposition itself closer to Europe or the European Union will become as hostile to Iran as the United States depending on whether Iran chooses to comply with Western demands. Iran must be presented with a stark choice by "dramatically raising both the returns it would gain for compliance and the price it would pay for defiance." Iran would have to choose to either be a member of the international state system by completely and verifiably giving up the nuclear weapons program or become an isolated pariah state like North Korea. "To persuade Tehran to give up its nuclear ambitions, the United States and Europe must radically alter Iran's calculations of benefit and risk. They should work together to devise a joint framework of incentives and disincentives that confronts Iran with a stark choice: Iran can become a pariah with nuclear weapons or a respected, fully integrated member of the international community without them."

Several months ago it would have been easy to conclude that were Iran presented with such a clear choice, Persian pride would have made the result very easy to guess. Iran would never allow itself to be viewed in such a bleak light and thus would have accepted the American and European demands even while proclaiming that they never had a nuclear weapons program and that they are still retaining the philosophical and legal right to maintain the nuclear fuel cycle

Einhorn, Robert. A Transatlantic Strategy on Iran's Nuclear Program. The Washington Quarterly; 27/4 Autumn, 2004. p. 29.
 Pollack, Kenneth and Takeyh, Ray. Taking on Tehran. Foreign Affairs; March/April, 2005. p. 4.

⁵⁸ Einhorn, Robert. A Transatlantic Strategy on Iran's Nuclear Program. The Washington Quarterly; 27/4 Autumn, 2004. p. 28.

under the Nuclear Nonproliferation Treaty. "Iranian leaders have been shaken by the negative attention, pressure, and potential isolation they have experienced over the nuclear issue in the past two years. They do not want the matter referred to the U.N. Security Council, in part because that would be humiliating—an insult to national pride and to the leadership's protection of national interests. Ostracism of such a great nation as Persia—Iran—would be a major setback."⁵⁹ However, with the recent aggressively anti-Semitic rhetoric by President Ahmadinejad which has garnered condemnation from many parts of the globe but has yet continued, it has become much less clear which choice Iran would make. This Iranian leader may not fear isolation and vilification as much as previous evidence suggests. Nevertheless, presenting a stark choice to Iran is the best card that the Europeans have to play and they must play it sooner rather than later.

The Europeans must present both incentives for giving up the nuclear weapons program and disincentives which would devastate Iran were it to continue on its current path. The European Union must be able to offer Iran something it values as greatly as a nuclear weapons program. The problem is that the European Union has nothing to offer that Iran values as much as a nuclear weapon. What Iran truly wants that is obtainable by Europe is a normalization of relations with the United States. Only Europe can convince the United States to begin steps toward normalized relations. With these first steps, Europe can help broker a deal in which security guarantees are provided by the United States to Iran that make Iran less fearful in exchange for Iran renouncing support of terrorism. On the disincentives side, Europe can operate much more freely on its own. The European Union can cut-off trade, investment, and aid that it provides to Iran and isolate Iran further in the international community. "Such measures, if necessary, could include a cancellation of trade talks, followed by targeted sanctions

⁵⁹ Perkovich, George. Changing Iran's Nuclear Interests. Carnegie Endowment for International Peace. May, 2005. p. 7.

on dual-use technologies, but the European Union should retain the option of comprehensive sanctions or even stronger measures if Iran shows itself to be particularly recalcitrant." All of these steps would be harmful to Iran, but it is the last one- comprehensive sanctions- that is most likely to change Iranian calculations because such sanctions would destroy what is left of Iran's economy.

Having discussed what the West needs to bring to the negotiating table, it is important to mention that they need the right partners with whom to negotiate. President Ahmadinejad remains a terrifying, yet unknown commodity. Iran's supreme religious leader, Ayatollah Seyed Ali Khamenei, teeters between Iran's conservative ideologues and pragmatists. It is essential that the European Union influences with whom it negotiates because of the current struggle for power inside of Iran. "The West should use its economic clout to strengthen the hand of Iranian pragmatists, who could then argue for slowing, limiting, or shelving Tehran's nuclear program in return for trade, aid, and investment that Iran badly needs." By making small deals that support the arguments of pragmatic conservatives, the European Union would be providing evidence of the success of strategic engagement and negotiation to Iranian leaders. The European Union can sway Ayatollah Khamenei toward listening to his pragmatic advisors. At the same time, it can convince the new conservative president of the effectiveness of taking pragmatic steps. It is assumed that President Ahmadinejad will take his advice from the pragmatic rather than ideological conservatives if he believes that pragmatic policies can be more successful.

In conclusion, "the real trick to dealing with the Iranian nuclear program, then, is to modify Iran's decisionmaking process regarding the utility of nuclear weapons, illustrate alternative ways for Iran to achieve its aims, and help orchestrate some degree of rapprochement

⁶¹ Pollack, Kenneth and Takeyh, Ray. Taking on Tehran. Foreign Affairs; March/April, 2005. p. 1.

⁶⁰ Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 14.

between Tehran and Washington." American cooperation is essential to this effort because only the US can provide the incentives that are necessary. At the same time, the Europeans must be willing to threaten and follow through on the punishments creating a stark choice for what Iran can be: a pariah with nuclear weapons or a member of the international community with a revived economy. "Tehran's course can still be changed [by taking] advantage of the regime's vulnerabilities.... [Iran's conservative leadership] is badly fragmented over... the importance of nuclear weapons. Only if the mullahs recognize that they have a stark choice—they can have nuclear weapons or a healthy economy, but not both—might they give up their nuclear dreams."

CONCLUSION

"The ultimate outcome in curtailing Tehran's nuclear weapons program will be, in all likelihood, a trade-off whereby Iran retains its civilian nuclear establishment but halts its weapons development program, foregoes domestic fuel production, and visibly and verifiably complies with all its commitments under the NPT and the Additional Protocol." However, this can only be achieved if Europe is able to harness its individual strengths into a collective will, build on its partnership with the US, and use its leverage with Iran to convince the Iranians that it is in their own best interest to give up their nuclear weapons program. "Frayed EU-US relations can only recover from the damage of the Iraq saga if the West stays united over how to handle Iran."

While simply being allowed to maintain a civilian nuclear program and not having the nuclear fuel cycle on its soil may seem to be nowhere near enough for Iran to be pleased with the

⁶² Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 14.

⁶³ Pollack, Kenneth and Takeyh, Ray. *Taking on Tehran*. <u>Foreign Affairs</u>; March/April, 2005. p. 1.

⁶⁴ Smeland, Sean P. Countering Iranian Nukes: A European Strategy. The Nonproliferation Review; Spring, 2004. p. 13.

⁶⁵ Everts, Steven. Engaging Iran: A Test Case for EU Foreign Policy. <u>CER</u>; London, 2004. p. 20.

outcome, Iran can expect more incentives. To offer Iran the incentives they will certainly demand, American assistance with negotiations is absolutely necessary. As Perkovich writes,

The immediate issue is not whether the United States is willing to negotiate directly with the Iranian authorities, but rather whether Washington accepts the premise that it is imperative to negotiate—to give and take—with the current constitutional authorities in Iran. Europeans can conduct the negotiations, but if the United States is unwilling to provide positive inducements to Iran, European negotiators will be badly handicapped and Iranian decision makers will be unable to calibrate whether their interests can possibly be met through such negotiations.⁶⁶

Because Iran is in such dire economic straights, an agreement that includes economic incentives such as aid, trade, and investment by the West would be much more palatable to the Iranians. The Iranians need to receive concessions from the US such as an end to America's blocking of Iranian WTO membership, American security guarantees, and perhaps even steps being taken towards normalization of relations. There is much that Iran could gain from the West, particularly from the US, by agreeing to verifiably give up its nuclear weapons program and by accepting a deal under which its uranium is enriched abroad. Furthermore, the alternative must not be today's *status quo* but multilateral economic sanctions and Iranian isolation in the international community. Therefore, analysis is necessary in identifying each of these incentives, evaluating the worth of each to Iran, and determining which combination would convince Iran to give up nuclear weapons development.

The economy of Iran is greatly correlated to the price of oil. The government receives most of its cash revenues from the sale of oil and the economy has no product which can replace oil in terms of revenue when prices drop. The government is perhaps more willing to cooperate when the economy needs the stimulation that only trade with western nations, foreign capital, and European economic incentives can provide. Consequently, today's high price of oil may be

⁶⁶ Perkovich, George. Changing Iran's Nuclear Interests. Carnegie Endowment for International Peace. May, 2005. pp. 8-9.

making Iran less likely to cooperate with the international community. Reduction in energy consumption, demand for oil, and oil prices may be necessary to prevent the development of Iranian nuclear weapons.

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ISNSC Formulation and Questions

Because of the continuous turmoil and constant change in the Iranian nuclear weapons issue, the timeline will be frozen at the beginning of this year. January 1, 2006 will be the beginning date for this committee's functioning. Therefore, the committee members can and should take under advisement the events of 2006. However, they should not assume anything that has occurred in 2006 will inevitably occur because the actions of the committee members will affect the development of events (as may chance events in this crisis committee.)

Committee members should consider the following questions and formulate answers to them:

- 1. How should Iran use the policy memo that has been intercepted?
- 2. Should Iran seek to develop nuclear weapons even in the face of military action?
- 3. What is the best way to deal with the European Union? Should Iran attempt to deal with the European Union as a single body or as individual states? Should Iran attempt to sow seeds of division among European states in the face of European pressure?
- 4. What should Iran's foreign and security policy be with regard to the United States?
- 5. Should Iran attempt to further drive a wedge between the United States and the European Union?
- 6. What, if any, incentives would convince Iran to give up its nuclear weapons program?
- 7. What, if any, incentives would convince Iran to give up the domestic nuclear fuel cycle?