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Learning From a Troubled Experience – Transatlantic Lessons from the Nuclear Standoff with Iran

Riccardo Alcaro

The dispute over Iran's nuclear programme, widely suspected of having a secret and illegal military objective, is a major flashpoint. A nuclear Iran would alter the balance of power in the strategic Gulf area and seriously weaken the Nuclear Non-Proliferation Treaty (NPT), to which Iran is a party as a non-nuclear state. The magnitude of the issue has prompted a number of countries to step in to curb Iran's nuclear plans. The European Union and the United States have been at the forefront of this effort. However, it was only at the end of a gradual, irregular and difficult process that the two sides were able to reach convergence.

When the controversy emerged, the two had for years followed a radically different approach. Whereas the United States refused to recognise the clerical regime and championed Iran's isolation, the European Union established promising trade relations with it, complemented by a political dialogue platform. These broad policy orientations contributed to shaping the US's and EU's initial response to the nuclear challenge. Over time, however, the dispute led to a policy reappraisal on both shores of the Atlantic.

When their offer of dialogue and cooperation was dismissed by Iran as blatantly insufficient, the Europeans agreed to increase pressure incrementally on Iran by way of UN condemnation and UN and EU sanctions. The US's change of tack was significantly more pronounced. After a painfully slow process, marked under the George W. Bush administration by a high degree of indecision and ambivalence, the Barack H. Obama administration reached the conclusion that it had a pragmatic interest in engaging the Islamic Republic over its nuclear programme.

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Transatlantic convergence alone is unlikely to lead to an end result mutually satisfying for the West and Iran, not least because it might have come too late and as a result of successive tactical adjustments rather than a common strategic reassessment. Nonetheless, the analysis of the process that led the European Union and the United States to join forces has much to offer for understanding better the evolution of transatlantic security cooperation in the emerging multipolar world.

EU and US Iran policies prior to the nuclear crisis

Prior to the nuclear crisis, which began in spring-summer 2003, the European Union and the United States pursued quite different approaches towards the Islamic Republic of Iran. After the electoral landslide of reform-oriented Mohammed Khatami in Iran's 1997 presidential elections, the EU attempted an upgrade of its relations with Iran by establishing a broad platform for dialogue on issues ranging from trade and energy to political dialogue and human rights. This process came to an end in June 2003, when the Council instructed the European Commission to put talks on an EU–Iran Trade and Cooperation Agreement (TCA) on hold due to mounting worries about Iran's nuclear activities.¹

In contrast to its European partners, the US had been pursuing a policy of isolation of Iran for over twenty years. The loss of the Shah's friendly government to a radical regime basking in anti-US and anti-Israel rhetoric, coupled with the humiliation of the hostage crisis (when a group of Islamist students took over the US embassy in Tehran with the apparent connivance of sections of Iranian leadership), left its mark in US foreign policy circles. This contributed to shaping a generally suspicious mindset in the United States concerning Iran, in particular among lawmakers and the media. The Ronald Reagan administration made no secret about what its preferences were during the Iraq–Iran war (the United States and Iran even exchanged fire in the Strait of Hormuz in 1988), and the Bill Clinton administration presided over the imposition of a nearly total US–Iran trade and investment embargo. In 1996, Congress passed the Iran–Libya Sanctions Act (later simply Iran Sanctions Act, ISA), providing the president with the authority to impose restrictions on the US-based activities of foreign companies doing business in Iran's energy resources sector. The ISA triggered a dispute with the European Union, whose engagement strategy also aimed at safeguarding the interests of a number of big European energy companies involved in the development of Iran's hydrocarbon resources. The two sides were eventually able to find a compromise, as President Clinton agreed to an exemption of EU companies from the ISA in exchange for the EU's commitment to support US efforts to contain Iran's proliferation and terrorism-sponsoring activities.

¹ For a short overview of EU–Iranian relations, see Kutchesfahani, *Iran's Nuclear Challenge and European Diplomacy*; Posch, "The EU and Iran"; Reissner, "EU–Iran Relations".

These diverging policy orientations contributed substantially to determining the initial responses of the EU and the US to Iran's nuclear plans. These emerged in full scale in early 2003, when the International Atomic Energy Agency (IAEA) confirmed that Iran's nuclear programme was much more advanced than previously known. While no evidence of NPT violation was found, the fact that Iran had secretly been developing sensitive aspects of a nuclear programme for almost twenty years – in particular uranium enrichment, a legal but highly sensitive process that can serve both civilian and military purposes² – gave rise to the widespread suspicion that Iran's real intent was to build up a nuclear arsenal.

E3/EU action

Between Scylla and Charybdis

In early 2003, strong international demand emerged for action that could prevent the looming crisis with Iran from escalating and further destabilising the Gulf region. In particular, there was a call for a diplomatic undertaking that would accompany the IAEA's technical inspection process aimed at verifying Iran's claims that its nuclear programme had not been diverted to military purposes. The hope was that high-level political engagement with Iran could facilitate the agency's work and help defuse rising tensions between Iran and an increasingly hostile United States.³

The Bush administration, however, was uninterested in engaging a clerical regime it openly despised. The United States would hardly have been in a position to initiate a dialogue anyway, as decades of isolation policy towards Iran had deprived it of tested channels of high-level communication with Tehran.⁴ Consequently, it wanted the issue to be referred to the Security Council, but opposition on the part of veto-wielding permanent members Russia and China made this a non-starter. Neither country was willing to jeopardise its relationship with Iran, a strategic political interlocutor and trade partner; all the more so as neither shared the US and Israeli assessment that Iran's embryonic nuclear programme posed a threat to the security of Israel and the Gulf. Moreover, after the

² Depending on the level of enrichment: low enriched uranium is sufficient to produce energy power, while the core of a nuclear bomb is composed of highly enriched uranium.

³ Interview with a former E3 country member of the IAEA Board of Governors, Berlin, February 2009.

⁴ This is not to say that the United States and Iran had had no contacts at all. The Americans sought Iranian help to rescue US citizens held hostage in Lebanon in the 1980s and early 1990s, as well as to allow weapons to reach Bosnian Muslims during the 1992–95 war in Bosnia. The (arguably more significant) US–Iranian cooperation over Afghanistan in 2001–02 had already come to an end with President Bush's inclusion of Iran in the 'axis of evil' in his 2002 State of the Union address.

deep crisis over the US-led invasion of Iraq, which they had both opposed, Russia and China were in no mood to do the Bush administration any favour.

The Europeans, on their part, thought that Iran's nuclear activities presented a serious challenge to both regional stability and the non-proliferation regime. Like the Chinese and Russians, however, they worried that the United States could be tempted to act unilaterally and strike Iran's nuclear facilities, as some Washington pundits had hinted (it was about this time that a British official epitomised the mood in the upper echelons of the US administration with the phrase "anyone can go to Baghdad, real men go to Tehran"). Eager to restore the authority of treaty-based international arrangements, such as the NPT and the IAEA, but unwilling to involve a UN Security Council still in disarray after the dispute over Iraq, the Europeans were desperate for an alternative to both inaction and confrontation.

Unlike the United States, European countries had regular ties with Iran. The three largest EU states – Britain, France, and Germany (the E3) – calculated that this lent them the necessary credibility to sound out Iran's interest in a negotiation over its nuclear programme. The E3 counted on the fact that a European-brokered mediation could be appealing to the Iranians as it would distance the spectre of a US military strike. Their calculation proved accurate, as negotiations were officially started in October 2003. In late 2004, the E3 won the support of their EU partners and were joined by the EU High Representative for Common Foreign and Security Policy (then Javier Solana, from late 2009 onwards Catherine Ashton), and have since then acted under this peculiar E3/EU format.

The E3/EU approach revolved around a bargaining process. European negotiators assured Iran that it would have access to the international nuclear fuel market and that they would provide technical assistance in the nuclear field. They backed the offer with the promise to resume talks over the EU–Iran TCA and support Iran's application for membership in the World Trade Organisation (WTO). Crucially, the E3/EU pledged they would oppose Iran's referral to the Security Council as long as negotiations were ongoing. In return, the Europeans wanted the Iranians to freeze uranium enrichment and intensify cooperation with the IAEA.

Incentives as well as demands were worked out incrementally throughout the negotiation period. The Europeans and the Iranians reached a first arrangement in October 2003 (the Tehran 'Agreed Framework'⁵), which they upgraded the following year in Paris. Under the Paris Agreement of 15 November 2004, Iran agreed to suspend all uranium-enrichment activities and confirmed it would implement the IAEA Additional Protocol, the 1997 text expanding the agency's inspection and

⁵ *Statement by the Iranian Government and Visiting EU Foreign Ministers*, 21 October 2003, http://www.bits.de/public/documents/iran/Tehran_EU_Iran_Agreement03.pdf.

verification powers, pending ratification by the Majlis, the Iranian Parliament (which never followed).⁶

The negotiation over a final, mutually acceptable solution soon ran into trouble, however, as the two sides were unable to come to an agreement on the extent and duration of the enrichment freeze. The Iranians viewed it as a gesture of goodwill and took every chance to recall its “temporary” and “voluntary” character. The Europeans, on their part, pushed for a halt until confidence in Iran’s intentions was restored. The gap between the two positions proved insurmountable. After the Iranian government, then run by the more hard-line administration of Mahmud Ahmadinejad, restarted enriching uranium in early 2006, the Europeans opted to support Iran’s referral to the UN Security Council for the imposition of sanctions. However, they did not give up on the diplomatic track, insisting instead that the offer of incentives could co-exist with the adoption of punitive measures.

Battles won in a losing war

The E3/EU’s failure to eliminate the proliferation threat emanating from Iran’s nuclear programme has been thoroughly scrutinised by security experts.⁷ The E3/EU was criticised for offering inadequate incentives in return. For example, one of the E3/EU’s main assets, the TCA, was a rather basic text (in the words of an E3 senior official, it was “something that such countries as Tunisia had been offered some thirty years ago”⁸). Moreover, the E3/EU opted for retaining the actual delivery of any incentive until the nuclear dispute was settled. As a result the Iranians saw no rewards other than pledges for having frozen enrichment and signed the IAEA Additional Protocol.⁹

The weakest strand of the E3/EU strategy, however, was its inability to address why Iran felt the need to go nuclear or, at the least, to acquire nuclear capability: a

⁶ *Communication dated 26 November 2004 Received from the Permanent Representatives of France, Germany, the Islamic Republic of Iran and the United Kingdom Concerning the Agreement Signed in Paris on 15 November 2004*, INFCIRC/637, http://www.bits.de/public/documents/iran/Paris_Agreement_infirc637.pdf; *Statement by Javier Solana, EU High Representative for the CFSP, on the Agreement on Iran’s Nuclear Programme*, S0204/04, 15 November 2004, S0304/04, http://www.bits.de/public/documents/iran/solana_paris_agreement1504.pdf. At that time, the International Crisis Group provided an accurate analysis of the deal: *Iran: Where Next on the Nuclear Standoff?* ICG Middle East Briefing No. 15, 24 November 2004, [http://www.crisisgroup.org/~media/Files/Middle%20East%20North%20Africa/Iran%20Gulf/Iran/B015%20Iran%20Where%20Next%20on%20the%20Nuclear%20Standoff.ashx](http://www.crisisgroup.org/~/media/Files/Middle%20East%20North%20Africa/Iran%20Gulf/Iran/B015%20Iran%20Where%20Next%20on%20the%20Nuclear%20Standoff.ashx).

⁷ Among others, see Martellini and Redaelli, “A Strategy for Defeat?”, 69–77; Sauer, *Coercive Diplomacy by the EU*; and Roudsari, *Talking Away the Crisis?*, who insist on the structural weakness of the E3/EU negotiating strategy. Seyed Sajjadpour blames the Europeans for having yielded to the widespread tendency to look at post-revolutionary Iran from a “securitised perspective” inherently implying “that Iran’s intentions are malicious” (“Evolution of Iran’s Security Doctrine”, 22).

⁸ Interview with a senior E3 diplomat, London, April 2009. A European Commission official has acknowledged that, if talks with Iran were to seriously resume, the EU would need to offer a more advanced typology of agreement (interview in Brussels, June 2010).

⁹ Kile, “Final Thoughts on Iran”, 122–3.

sense of insecurity and vulnerability, augmented by the US invasion of Afghanistan and Iraq (its eastern and western neighbours, respectively), combined with a desire to play a role commensurate with its history and ambitions. The E3/EU were ready and willing to meet Iran halfway in this regard. Since the 1979 anti-Shah revolution, the Europeans had learned to appreciate the Iranian leadership's combination of realism and sense of national pride. They watched as a hazy ambition to foment an Islam-rooted revolutionary wave in the Gulf turned into a pragmatic search for national security, regional influence and consolidation of the clerical regime.¹⁰ For the Europeans, the Islamic Republic presented no real ideological challenge. On the contrary, intensified cooperation with it would have helped to fight back the perception that Western powers were pursuing an anti-Islam agenda after 9/11. More importantly, the Europeans maintained that Iran could play an important role in stabilising both Afghanistan and Iraq.

However, giving Iran a role in the remaking of the Gulf was beyond Europe's power. The last word on this would have to come from Washington, whose political clout and military strength is felt all across the region. For the Iranians, therefore, the European strategic assessment that cooperation with the Islamic Republic was possible and indeed desirable was much less important on its own merit than for its potential to influence the United States. From this perspective, one important reason why the Iranians accepted the European proposal for nuclear talks was the hope that the United States would be brought on board. As this did not take place, the Iranians calculated that they would be better off reactivating frozen nuclear activities and lost interest in the negotiation with the Europeans.¹¹ In ultimate analysis, the reason for the E3/EU's failure was that it depended too heavily on the behaviour of not only Iran but also the United States.

This is not to say that the E3/EU action achieved nothing.¹² It raised international awareness of the dangers related to Iran's nuclear ambitions, while strengthening the case for Iran to remain within the treaty and subject to IAEA inspections.¹³ Following the deals reached in Tehran and Paris in 2003 and 2004, Iran ended up under intense international scrutiny. The Iranian government felt compelled to take the costly decision to open the nuclear programme to more intrusive inspections than required under the IAEA–Iran standard

¹⁰ Perthes, "Of Trust and Security".

¹¹ Kile, "Final Thoughts on Iran"; see also Thränert, *Ending Suspicious Nuclear Activities*.

¹² For a critical discussion of Europe's leadership in the Iran nuclear dispute, see the conclusions of the roundtable organised by the Wisconsin Project on Nuclear Arms (*Iran Watch Roundtable: An Assessment of Europe's Leadership in Confronting the Iranian Nuclear Challenge*, 6 February 2008, <http://www.wisconsin-project.org/countries/iran/iranwatch-roundtable-eu-0208.htm> Iran Watch Roundtable). Round-table participants were Philip Gordon, Hans-Peter Hinrichson, Danielle Pletka, Simon Shercliff and Terence Taylor.

¹³ Denza, "The EU, Iran, and Non-proliferation", 310–11.

safeguard agreement. Although Iran's level of transparency was far from ideal,¹⁴ the agency was able to give a more detailed account of the state of advancement of the nuclear programme until February 2006, when Iran stopped implementing the Additional Protocol. A more important consequence of the talks with the E3/EU is that Iran kept sensitive parts of its nuclear programme frozen for approximately two years.¹⁵

Another achievement of the E3/EU is that it set the course of action to deal with the nuclear standoff. In all probability, the IAEA could not have reported Iran to the UN Security Council without the E3/EU action.¹⁶ During the 2003-05 negotiation period, the E3/EU walked a tightrope in engaging the Iranians while trying to invigorate consensus for their action within the EU and avoid fatal clashes with the United States (for being too soft) and with Russia and China (for being too tough). The culmination of this delicate process was the association in January 2006 of the United States, Russia and China to the E3/EU negotiating group, which has convened ever since under an E3/EU+3 format (the group is more commonly, but less accurately, known as the 'P5+1' or 'Iran six').

European insistence on gradualism proved to be a sensible choice, as consensus on sanctions within the Security Council was reached only after Iran persistently failed to comply with a series of demands from the UN.¹⁷ In spite of Iran's attempts to present the dispute in anti-colonialist terms as an unfair struggle between a country pursuing its legitimate interests and the power-greedy West, it is also thanks to the E3/EU that opposition to its nuclear ambitions now span Western and non-Western countries alike.¹⁸ In the calculation of the E3/EU, in fact, the rationale for seeking UN sanctions was not to punish Iran, but rather to enlarge the international front concerned about Iran's nuclear ambitions in the hope that this would make Iran more willing to compromise.¹⁹

¹⁴ IAEA reports on Iran, while stating that no evidence of military diversion was found, regularly complained that Iran was not sharing key information about the origin and purpose of certain technologies and material that, in theory, could have a military application. A summary of IAEA complaints can be found in *The Age of Deception* by the agency's former director general, Mohammed ElBaradei (112-47).

¹⁵ While uranium enrichment remained frozen from late 2003 to January 2006, other related activities, most notably uranium conversion into gas and centrifuge production and testing continued until November 2004. Uranium conversion was re-activated in August 2005.

¹⁶ The IAEA board resolution that declared Iran in non-compliance with its transparency obligation and hinted at a possible involvement of the Security Council was adopted on 24 September 2005 (*Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran. Resolution Adopted on 24 September 2005*, GOV/2005/77, <http://www.iaea.org/Publications/Documents/Board/2005/gov2005-77.pdf>).

¹⁷ The UN Security Council has adopted six binding resolutions requiring Iran to suspend uranium enrichment and intensify cooperation with the IAEA: 1696 (July 2006); 1737 (December 2006); 1747 (March 2008); 1803 (March 2008); 1835 (September 2008) and 1929 (June 2010). Four of these resolutions – 1737, 1747, 1803, and 1929 – imposed sanctions.

¹⁸ One commentator has described the E3/EU action as a shift from "mediation to coalition building in order to lay down the foundation for a sanctions-based strategy" (Harnisch, "Lessons for EU's Iran Diplomacy").

¹⁹ On the rationale of the sanctions track, see Posch, "What Next?"

Finally, the E3/EU provided the US with a way out of its Iran ‘non’-policy, which oscillated between vague dreams of forced or induced regime change and the sterile continuation of the unilateral containment strategy it had pursued for years. In fact, it would not be inaccurate to identify this as the ultimate objective of the E3. European diplomats had known from the beginning that their chances of success largely depended on the attitude in Washington.²⁰ Throughout the negotiations that preceded Iran being reported to the Security Council, the US was the ‘stone guest’, as its clout was felt even in its absence. The E3, in spite of the added political weight lent to them by the European Union, were unable to exert autonomous leadership in the proliferation crisis with Iran.

The Bush administration’s approach

Outsourcing US Iran policy

Since 1979, hostility towards the Islamic Republic has been equally widespread on the right and left ends of the American political spectrum. But the intensity of the Bush administration’s antagonism was unprecedented both for ideological and geopolitical reasons, as the Islamic Republic was as irreconcilable with the administration’s rhetoric of democracy promotion as it was incompatible with its plan to revolutionise the Gulf.

The Iranians’ hopes that assistance to anti-Taliban operations in Afghanistan in late 2001 and early 2002 could bring about a policy reappraisal in the United States were brutally dashed when President Bush declared Iran part of an ‘axis of evil’ that also comprised North Korea and Iraq in his first State of the Union address in February 2002.²¹ In May 2003, the Khatami administration made a second attempt, signalling its readiness to address all controversial issues on which Iran and the United States were at loggerheads, including the nuclear programme, in exchange for the normalisation of relations. The White House, apparently upon the insistence of Vice-President Dick Cheney, spurned the Iranian overture.²²

²⁰ In the words of a former E3 foreign minister, “We [the E3] were all too aware that our role could be reduced to bridging the gap between the US and Iran [...] and in a way we did it” (interview in Berlin, March 2009).

²¹ See Bonham and Heradstveit, “The Axis of Evil Metaphor”. For a personal account of Iran’s attempt to engage the US in Afghanistan after the ousting of the Taliban, see Dobbins, “Negotiating with Iran”.

²² Press reports started to mention the May 2003 Iranian offer much later (see, among others, G. Kessler, “In 2003, US Spurned Iran’s Offer of Dialogue”, *The Washington Post*, 18 June 2006, <http://www.washingtonpost.com/wp-dyn/content/article/2006/06/17/AR2006061700727.html>). European and American diplomats confirmed the news both in off-the-records interviews (including with this author) and openly (James Dobbins, the US special envoy to Afghanistan following 9/11, speaks of it in “Negotiating with Iran”, 157). Bush administration officials countered that the two-page document was not authoritative (Litwak, “Living with Ambiguity”, 101–2).

Instead, it toughened its rhetoric in a way that was consistent with a regime change policy, leading the Iranians to accept the E3 offer of dialogue as a way to soften US pressure and gain negotiating strength. At this point, US–Iran reciprocal mistrust was probably at its peak.

The Bush administration's ostracism of Iran weighed heavily on the E3–Iranian talks. Administration officials undermined the initiative with statements expressing strong scepticism and describing Iran as a 'rogue state' not worth talking to.²³ Yet, the E3 initiative was not entirely unwelcome in Washington. Indeed, having ruled out dialogue with Iran, in 2003 the United States was short of options to deal with the nuclear issue. The intervention in Iraq and Afghanistan had raised the stakes of a strike against Iran's nuclear facilities, both politically and militarily. The toppling of Saddam Hussein and the Taliban, two of Iran's main foes, had undermined the US's own containment policy. Like the Iranians, the Americans also seemed to view the E3 initiative as a 'convenient buffer', a time-buying expedient that would defer confrontation until they felt ready for it.²⁴

The United States was aware that the Europeans were unlikely to clinch a deal it did not like. While not commenting on the E3/EU negotiating proposals, both in informal conversations and at the IAEA, the Americans nonetheless made no secret that they would consider any option other than full and immediate suspension of uranium enrichment as insufficient.²⁵ In March 2005, the Bush administration decided to give indirect support to the E3/EU endeavour, making it clear, however, that it had no intention to join the talks.²⁶ In return, it extracted from the Europeans the promise that, if their attempt at engagement failed, they would support Iran's referral to the Security Council.

An acute case of ambiguity

US backing did not result in increased leverage for the E3/EU. On the contrary, the Europeans saw their room for manoeuvre constrained. At the time, they were debating an Iranian offer for a comprehensive settlement centred on the

²³ Interviews with E3 and EU officials, Berlin, London and Brussels, February 2009, April 2009 and June 2010.

²⁴ For an interpretation of the E3/EU initiative as a "convenient buffer", see Harnisch, "Minilateral Cooperation and Transatlantic Coalition-building", 3. On the US impact on the process that led to the formation of the E3 group, see Linden, *Die Initiative der EU-3*, 53–6.

²⁵ Interview with a former US State Department Official, London, April 2009.

²⁶ The United States also lifted its veto on Iran's application for WTO membership and said it was willing to sell replacement components to Iran for its decrepit airline fleet. On the US 2005 change of tack, see Rudolf, *Amerikanische Iranpolitik*.

acceptance of an enrichment capacity.²⁷ The Europeans had their own reasons to doubt Iran's sincerity and were inclined to uphold the enrichment freeze red line in any case, but US intransigence led them to put aside any discussion of the possibility of detailing a roadmap together with the Iranians that would in the end allow Iran to enrich.²⁸ The United States also refrained from backing the E3/EU's idea of including the supply of a nuclear light water reactor (LWR, which raises far less concerns in terms of proliferation) in a proposal presented to Iran in August 2005. The French firm expected to provide the LWR-related technologies backtracked in the absence of an explicit guarantee that it would not incur US sanctions, leading the E3/EU to drop the idea.²⁹

Against this backdrop, the US attitude in 2005 can hardly be described as truly supportive of the E3/EU. The Bush administration, then in its second term, was interested in reviving a transatlantic relationship still convalescent from the Iraq wound, but was not ready to renounce its policy of antagonism towards the Iranians. Actually, its involvement contributed to making the European negotiating platform more rigid.

It was only after the E3/EU group expanded into the E3/EU+3 in early 2006 that the US change of tack gained some substance. Facing an ever more ferocious insurgency in Iraq, the Bush administration calculated that making some concessions to the E3/EU would best serve its interest in UN sanctions, by that time the only option on hand to keep Iran under pressure. The Bush administration then also decided to support the diplomatic track of the E3/EU approach with more conviction, although it remained adamant about its refusal to engage with Iran as long as it continued to enrich uranium. In June 2006, the United States agreed to the E3/EU's new offer of cooperation and dialogue backed by Russia and China. This time the Americans did not object to making an explicit pledge to support construction of an LWR in Iran with state-of-the-art technologies. In June 2008,

²⁷ The *General Framework for Objective Guarantees, Firm Guarantees, and Firm Commitments*, March 2005, http://www.bits.de/public/documents/iran/EU-3_Iran_0505.pdf

²⁸ Prior to the Iranian presidential election in June 2005, an E3 diplomat outlined a formula that, he says, the Iranians found acceptable. It implied Iran giving up enrichment on an industrial scale until the economic need for nuclear power actually emerged, which meant a situation in which Iran would already possess at least ten-twelve light water reactors and would be unable to find sufficient reactor-grade fuel on the international market. In the meantime, Iran would be allowed to run R&D enrichment facilities with a maximum of twenty centrifuges (a nuclear programme of industrial scale usually employs at least 50,000 centrifuges, although only around 3,000 are theoretically needed to build a bomb). The E3 did not discuss the matter at length, however, as the British government believed that the US would not accept it. The European diplomat admitted that there was no guarantee that the new Ahmadinejad administration would have agreed to the proposed formula (phone interview with a senior E3 official, London, April 2009).

²⁹ Interview with a former E3 foreign minister, Berlin, March 2009, and an EU official, Brussels, June 2010.

US Secretary of State Condoleezza Rice even put her signature to a letter accompanying a renewed E3/EU+3 offer to the Iranians.³⁰

In the meantime, however, the Bush administration persisted in treating Iran as a foe. In the 2006 US National Security Strategy, the Islamic Republic was described as “an enemy of freedom, justice, and peace” and singled out as the greatest challenge to the United States.³¹ More broadly, a sub-text of regime change policy was almost always discernible in the administration’s public statements. Crucially, upon US insistence, any reference to security guarantees for Iran was deleted from the June 2008 package.³²

The United States kept on pressing its partners in Europe and elsewhere for the adoption of tough sanctions against Iran, if not at the UN level (where Russia and China’s opposition had only allowed for the adoption of targeted measures), then unilaterally. An informal campaign led by the US Treasury Department, which hinted at potential limitations on European companies’ US-based activities, succeeded in persuading ever more European governments to rein in their businesses with Iran. However, the Treasury’s bullying attitude and its tendency to get past governments and directly address banks and companies ruffled many feathers in Europe.³³ Despite the fact that it could count on the support of Britain, France (which had become more hawkish under President Nicolas Sarkozy) and to a lesser extent Germany, the Bush administration was unable to generate enough consensus within the European Union for the adoption of unilateral measures against Iran.

The Iran policy that President Bush bequeathed his successor Obama was therefore characterised by a good deal of strategic ambivalence. His administration was perhaps the most hostile to Iran since 1979, yet it had made incremental concessions, ranging from the promise to support Iran’s civilian nuclear industry to

³⁰ See the *Proposal to Iran by China, France, Germany, the Russian Federation, the United Kingdom, the United States of America, and the European Union Presented to the Iranian Authorities on 14 June 2008 in Tehran* and the accompanying letter (<http://www.bits.de/public/documents/iran/P5+1letter120608-iran.pdf>). The Arms Control Association has disseminated a text of the E3/EU+3 June 2006 offer apparently prepared by the French Foreign Ministry (*Elements of a Revised Proposal to Iran made by the E3+3*, http://www.armscontrol.org/pdf/20060606_Iran_P5+1_Proposal.pdf). As one of the anonymous reviewers of this article, to whom the author is grateful, pointed out, had the Europeans refused to involve the UN Security Council in early 2006, the United States would have been faced with a binary choice between military confrontation and engagement with Iran. Given the chaos in Afghanistan and Iraq, the reviewer claims, the Bush administration could not but have chosen engagement. This is a provocative reading of the events, which however fails to take account of the fact that, first, the Europeans were themselves frustrated with Iran’s stubbornness and, second, they did not believe that the US could really be forced to engage Iran. In the Europeans’ view, having brought the Bush administration on board, in spite of the many caveats it had put on its participation in the E3/EU+3 process, was to be considered a significant achievement.

³¹ *The National Security Strategy of the United States of America*, §§ III and V, <http://georgewbush-whitehouse.archives.gov/nsc/nss/2006>.

³² The author is grateful to one of the anonymous reviewers for this information.

³³ J. McGlynn, “The Day the US Declared War on Iran”, *Asia Times*, 31 March 2008, and C. Hand, “Target Iran”, *Asia Times*, 11 April 2008.

significant (by US standards concerning Iran) offers of dialogue, such as when Secretary Rice said that she was prepared to meet with her Iranian counterpart “at any time, anywhere” if Iran stopped enriching uranium.³⁴ Bush’s ambivalence had multiple negative net effects. Continuing to portray Iran as evil while reformulating ever less stringent red lines convinced the Iranians of both the US’s insincerity and its weakness. Furthermore, the limited nature of US concessions was seized not only by Russia and China but also by EU member states as a legitimate reason to resist tougher action.

The Obama administration’s approach

Reducing the words-deeds gap

While committing to both components of the dual track approach (sanctions included), the Obama administration initially worked on reducing the disconnect between policy and rhetoric displayed during the Bush years. President Obama put an end to talk of regime change, agreed to join the E3/EU+3–Iran talks without preconditions, sought greater cooperation from Russia by launching its ‘reset’ policy, and showed a willingness to engage the Iranians beyond the nuclear issue, with the aim of laying the foundations of a sustainable *modus vivendi*.³⁵ He seemed unconvinced, however, that a strategic about-face similar in magnitude to the Richard Nixon administration’s decision to engage communist China in the early 1970s was attainable. He opted for a more cautious approach, whose credibility relied on the consistency of the message – that the United States was serious about entering into negotiations with Iran (as it was about sanctions) – rather than on the offer of more and bigger incentives than hitherto promised.

Indeed, the Obama administration showed a remarkable ability to stay the course, in particular because Obama’s advent to the White House overlapped with the authoritarian response to demonstrations that followed Ahmadinejad’s controversial re-election as president in June 2009. In October 2009, at a meeting in Geneva, the E3/EU+3 and Iran reached a preliminary deal (to be taken back to capitals for final agreement), largely devised by US officials, on what could be described as the closest thing to a breakthrough since the November 2004 Paris Agreement. Iran gave its consent to send up to 1.2 tonnes of its low enriched uranium (LEU) (at the time, equal to three quarters of its total stock) to Russia and France, where it would be further enriched and turned into nuclear fuel for a

³⁴ “US Imposes New Sanctions on Iran”, *BBC News*, 25 October 2007. Mark Fitzpatrick has listed all Bush administration Iran policy changes between 2005 and 2008 (*The Iranian Nuclear Crisis*, 63).

³⁵ This was the sub-text of his TV address to the “Iranian People and Leadership” delivered during Persian New Year’s Day celebrations on 19 March 2009 (<http://www.whitehouse.gov/video/The-Presidents-Message-to-the-Iranian-People>). Obama backed up his public overture with two private letters to Iran’s supreme leader Ali Khamenei prior to the June 2009 elections (“Obama sent Second Letter to Khamenei”, *The Washington Times*, 3 September 2009).

Tehran research reactor producing medical isotopes. In the calculations of the United States and the Europeans, this would have deprived Iran of the nuclear material potentially needed to build a bomb for a year, thus providing more leeway for the launch of a broader negotiation on Iran's enrichment capacity.³⁶ In late 2009, however, it became clear that Iran had back-pedalled on the Geneva deal. US officials seized on this to overcome the resistance of Russia and China to a new round of UN sanctions significantly tougher than previous ones, and intensified talks with the E3/EU over potential follow-up measures.

The process was neither smooth nor risk-free. The Obama administration managed to persuade an increasingly impatient Congress, where deep anti-Iranian sentiments cross party lines, to delay enactment of a much-awaited US law expanding and toughening the 1996 ISA. The White House feared that the new law could alienate its partners within the E3/EU+3 and derail talks over the new UNSC resolution, since the amended ISA explicitly targeted foreign companies doing business with Iran with fines on their US activities and denial of government contracts. The European Union resented the extraterritorial application of the new law and lobbied US authorities to get special exemptions. The Obama administration was eventually able to safeguard the president's power to suspend sanctions against companies from countries that cooperate with the US on Iran, even if this waiver authority was subject to more constraints than the EU had hoped for. More important, however, was that the White House succeeded in postponing the passing of the law until after the vote in the Security Council, as this made it possible for the European Union to follow up with additional measures. UNSCR 1929, adopted in mid-June 2010, provided the legal and moral basis for those EU member states doubtful of measures not specifically targeting Iran's nuclear and ballistic activities to give the green light to a broader set of sanctions.³⁷ This is a crucial achievement, as the European Union is, along with China, Iran's main trade partner, and sanctions from its side have a significant impact.

The US administration was also able to fend off an eleventh-hour attempt to derail the sanctions. In May 2010, Iran agreed to a fuel swap proposal put forward by Turkey and Brazil which, while closely resembling the Geneva agreement, was flawed in several respects. A key point was that it bound Iran to send abroad the same amount of LEU (around 1.2 tonnes) that had been agreed upon in Geneva even though Iran had, in the meantime, increased its LEU stock and therefore would still have retained enough material for a bomb (if further enriched). Moreover, the deal left the issue of Iran's enrichment activities completely untouched. The agreement focused exclusively on the fuel swap as if this were an end in itself, while the West had thought of it just as a means to increase

³⁶ For an analysis of the Geneva deal and the potential consequences of it floundering, see Fitzpatrick, "Fragile Promise of the Fuel-swap Plan".

³⁷ Interview with EU Council and European Commission officials, Brussels, June 2010.

reciprocal trust, thereby creating the conditions for a serious negotiation on the enrichment problem. In sum, the Tehran deal was a weaker re-proposition of the Geneva arrangement, with the aggravating circumstance that the conditions that had made the latter attractive had been overtaken by events.

Secretary Clinton criticised the deal publicly, considering it an attempt to circumvent sanctions.³⁸ In contrast, President Obama kept silent.³⁹ He may have calculated that the Iranian leadership was so deeply enmeshed in its anti-Americanism that it would reject the Brazilian–Turkish offer because it was largely based on a previous US proposal. At that point, Brazil and Turkey – both non-permanent members of the UN Security Council at the time – could not but bow to the US request to support sanctions. Conversely, anticipating that the Iranian leadership would react defiantly to the forthcoming sanctions, Obama may have wanted to leave a door open for Iran to return to the negotiating table without losing face. In fact, in summer 2010 Iran confirmed its readiness to implement the deal with Turkey and Brazil – thus giving the lie to its own threat that a vote on new UN sanctions would kill it – and to re-engage with the E3/EU+3.

Much ado about nothing?

After months in which it had to work on multiple fronts, the Obama administration achieved some results. First, it ensured the unity of the E3/EU+3 by resisting pressure from Congress for immediate action. Second, it succeeded in cajoling its E3/EU+3 partners into agreeing to its sanctions plan, so that between June and July 2010, the UN, the US and the EU slapped punitive measures on Iran in rapid succession.⁴⁰ Third, by not chastising Brazil and Turkey for their untimely deal with Iran, Obama was able to give Iran a way back to the talks without giving the impression of bowing to Western pressure. In sum, by adopting the E3/EU-devised

³⁸ “Clinton Blasts Brazil-Turkey Approach to Iran”, *Radio Free Europe*, 28 May 2010, http://www.rferl.org/content/Clinton_Blasts_BrazilTurkey_Approach_To_Iran/2054978.html.

³⁹ As it turned out, he and his partners within the E3/EU+3 knew of the deal in advance and, going against the advice of such partners as France, Obama had sent a letter to his Brazilian counterpart, President Luis Inacio Lula da Silva, in which he recalled the basic content of the fuel swap included in the Geneva deal (a similar letter was allegedly sent to Turkey’s Prime Minister Recep Tayyip Erdogan, but has never been made public). Obama’s move was controversial. The US president was criticised because the letter could be viewed as a US ‘go ahead’. State Department officials, however, insist that the letter’s purpose was not to give guidelines as the United States had neither requested the mediation by Brazil and Turkey nor was in a position to deny them the right to strike a deal with a third party. They maintain that Brazil and Turkey were aware that the deal they were negotiating did little to address the E3/EU+3’s specific proliferation concerns. US State Department, *Background Briefing on Nuclear Non-proliferation Efforts with Regard to Iran and the Brazil/Turkey Agreement*. 28 May 2010, <http://www.state.gov/t/pa/prs/ps/2010/05/142375.htm>.

⁴⁰ UNSCR 1929 was approved on 9 June; President Obama signed the Comprehensive Iran Sanctions, Accountability, and Divestment Act into law on 1 July; EU sanctions were enacted with EU Council Decision 2010/413/CFSP on 27 July 2010.

dual track approach with more consistency than his predecessor,⁴¹ Obama apparently managed to preserve the diplomatic framework for a compromise with Iran while building a far greater sanctions coalition than had ever been possible.⁴²

On the other hand, the Obama administration's reluctance to spell out more clearly what incentives Iran could receive through negotiations – the offer of which has never been withdrawn – proved unwise. In the two meetings Iran and the E3/EU+3 had after the imposition of sanctions (in Geneva in December 2010 and Istanbul in January 2011), the parties merely reiterated their respective (pre)negotiating positions, with the predictable result that they got nowhere. Since then, Iran has continued to expand its enrichment capability, while the West has continued to add targeted sanctions. More importantly, the US debate on Iran has once again taken a subtly confrontational direction, not least because it has become more difficult for the Obama administration to reconcile a policy of engagement with a regime that has clamped down on pro-democracy protesters with its choice of supporting the pro-democracy revolutionary wave that has shaken North Africa and the Middle East.⁴³

Clearly, the Iranians see no advantage in entering into talks on the basis of the current, rather vague, offer of incentives. Also, unless the E3/EU+3, and the United States in particular, flesh them out with something more specific and appealing (in particular a roadmap leading to an Iranian industrial-scale enrichment capacity under strict IAEA supervision), the risk is that their dual track approach will become fatally imbalanced towards sanctions, with the chances of a diplomatic solution diminishing dramatically.

Five lessons for transatlantic security cooperation

Analysis of the process leading the European Union and the United States to join forces in an attempt to curb Iran's nuclear programme offers five important lessons for understanding more thoroughly how transatlantic security cooperation is evolving and how best to make use of it.

⁴¹ An EU official involved in Iran's nuclear dispute from the very beginning described current EU-US cooperation on Iran as "full strategic convergence" (interview in Brussels, June 2010).

⁴² The confidential cables of US diplomats dealing with Iran published by WikiLeaks on 28 November 2010 confirm that Obama's tactics were a key element in securing support for his sanctions plan ("In Arab World and Beyond, Deep Distress over Iran", *International Herald Tribune*, 29 November 2010, 1 and 4–5).

⁴³ The shift in the US debate over Iran can be appreciated by listening to Obama's annual messages on the Persian New Year's Day (Nowruz). Contrary to his much publicised 2009 TV address to "the Iranian people and leadership", in 2011 Obama addressed only the Iranian people, commending their courage in opposing a repressive regime and explicitly comparing the Iranian Green Movement opposition with the pro-democracy protesters in Egypt and Tunisia (<http://www.whitehouse.gov/blog/2011/03/20/president-obama-s-nowruz-message>). For a pointed criticism of Obama's Iran policy, see F. and H. Leverett, "The Middle East's New 'Cold War'".

Lesson One: divided we lose

The first lesson is that transatlantic divergence matters. For as long as the US and the EU followed a radically different approach to the nuclear issue, Iran was able to exploit that difference to its advantage. By agreeing to enter into talks with the Europeans, Iran managed to ease the pressure from the United States. The initial fractiousness of the transatlantic front also made it easier for Iran to advance its nuclear expertise. Thus, facts on the ground were created that became impossible to reverse. Today, the overwhelming majority of experts recognise that no compromise is conceivable if it does not include an Iranian enrichment capacity, albeit under strict IAEA oversight. This could have been different had the US agreed to join the Europeans during their 2003-05 nuclear talks with Iran, at which time the Islamic Republic had agreed to suspend work on enrichment.

Lesson Two: aim at the same target

The second lesson is that strategic objectives have to align. Even when the US and the EU are able to agree upon a common line – in this case, the dual track approach – this is of little help if their strategic objectives remain distant. The Bush administration's half-hearted support for the diplomatic track, resulting from its refusal to accept Iran as an interlocutor, narrowed the E3/EU's room for manoeuvre, thus diminishing the chance of a breakthrough. It also complicated cooperation with the EU and its member states, on the one hand, and with other key actors, notably Russia and China, on the other. The validity of this argument is attested to by the fact that the Obama administration's more consistent embracement of the dual track approach allowed for the creation of a larger and more cohesive front against Iran's nuclear ambitions. Not only did Russia and China agree to a tougher set of UN sanctions than the previous ones, but the European Union itself finally bowed to the long-standing US requests for additional restrictions.

On the other hand, a lamentable consequence of the United States' coming closer to what was originally the EU's goal – a nuclear agreement with Iran potentially leading to a Western-Iranian rapprochement – has been the E3/EU's apparent gradual abdication of any ambition to play a leading role in the dispute. It is as if they, having succeeded in bringing the US into the game, have concluded that they have done their job and can now limit themselves to following the US lead. After the passing of UN, EU and US sanctions, however, a strong need for new initiative from the EU has emerged, as the US seems to be busy developing only the sanctions leg of the dual track approach. The E3/EU have always supported sanctions on the condition that they would not become a surrogate for policy as this would be detrimental to their final objective of establishing a sustainable *modus vivendi* with Iran. If this is still their objective, they must impress on the

United States that it cannot continue to sanction Iran indefinitely, without adding some new substance to the diplomatic leg of the dual track approach.

Lesson Three: the EU provides more than added value

A third lesson is that EU/European political and economic assets represent a critical crisis management resource, in particular when the United States is short of options. When the nuclear dispute broke out, the Bush administration had little room for manoeuvre. Continuation of the unilateral policy of containment promised to be as sterile as it had been in the previous twenty-five years. Engagement was out of the question for ideological and geopolitical reasons. Every now and then Bush evoked the option of bombing Iran's nuclear facilities, but the feasibility of a strike was very low during the Bush years – and remains so today. Pentagon officials acknowledge that it could only slow down, not destroy, Iran's nuclear programme. An attack would also be at high risk of backlash, as Iran, far from being deterred, could embark on a crash course towards building a nuclear weapon. More critically, in the absence of a clear and irrefutable violation of NPT obligations by Iran (of which there is no credible evidence), a strike would count on scarce international support. It would almost certainly estrange Russia, China, and in all probability a number of EU member states, thus impairing any prospect for a diplomatic solution.

With containment being ineffective, engagement inconceivable for political reasons and a military attack too risky a gamble, the Bush administration found itself in a corner. The Europeans brought Washington out of it. Not only did they give it a policy it could align with, they were also instrumental in increasing the pressure on Iran through the imposition of painful unilateral EU sanctions and expanding the international front opposing Iran's nuclear plans.

Lesson Four: build the right team

An extremely important corollary can be drawn from the above. Even joint EU–US action can be insufficient to address a highly complex issue of international concern in a long-term fashion. Broader participation is needed, in particular from rising or resurgent powers like China and Russia, increasingly active players such as Turkey, and other countries key to the successful implementation of sanctions (most notably the Gulf states and the US' Asian and Pacific partners). The Iran case shows that, in today's emerging multipolar world, the ability to shape a narrative and persuade through diplomacy, bargaining and compromise has become as important as power and influence in forming coalitions of like-minded states. In this context, the transatlantic ability to caucus takes on a new importance. Not only do the transatlantic partners have to make constant efforts to reach a shared policy, they

also have to shape that policy in a way that takes the position of other key international players into account.

Related to the previous argument is the conclusion that, in the nuclear standoff with Iran, a significant precedent has been set for future crisis management. The E3/EU+3 represents an interesting evolution of the ‘contact group’ phenomenon, in which a given international issue is dealt with by a select group of countries on an informal basis. With respect to past experiences, however, the E3/EU+3 stands out for its significantly wider range of action. Whereas other similar groupings, such as the Contact Group for the Balkans, have usually acted as guarantors of the correct implementation of an already agreed settlement, the E3/EU+3 performs crisis response, management and settlement tasks; in other words, it is more an actor than an arbiter, more a lead group than a contact group. This multiple role cannot be explained only on the basis of the quicker and more flexible decision-making that informality and the limited membership of the group allow. It has as much to do with the ability of the E3/EU+3 members to influence decisions within the key multilateral organisations that are involved in the dispute with Iran. The E3/EU+3 also acts as a facilitator of UN Security Council action and has become the main sponsor of the IAEA’s inspection and oversight role.⁴⁴ Far from being marginalised, both institutions have actually acquired greater prominence as the nuclear dispute with Iran has unfolded.

A similar reasoning can be made with regard to the European Union itself. The EU has been able to occupy one of the front seats in the nuclear dispute with Iran because of the unorthodox format – the E3 plus the High Representative – in which it has been working. Had the E3 not taken the lead, it would have been inconceivable for the EU HR to end up acting as the main interlocutor of the Iranians for the whole E3/EU+3 group, as has been the case since spring 2006. It is unlikely that the United States – not to mention Russia and China – could have consulted on such a delicate issue with the European Union without the mediation of its three largest and most influential member states. From this perspective, the E3/EU sets just as important a precedent for EU foreign policymaking as the E3/EU+3 does for the future of cooperative crisis management.

Lesson Five: realise the shortcomings of transatlantic cooperation

A final lesson concerns the limits of transatlantic security cooperation. The passing, in quick sequence, of new UN, US and EU sanctions has temporarily sheltered

⁴⁴ According to Harnisch (“Minilateral Cooperation and Transatlantic Coalition-building”), minilateral cooperation is generally unable to transform into multilateral cooperation. Empirical evidence shows, however, that the interface between minilateral and multilateral levels was hampered by the ambivalent approach of the Bush administration rather than by the difficulty in minilateral action turning into multilateral cooperation. Strongly supportive of the ‘core’ group practice are, among others, Keukeleire, *EU Core Groups*, and Schwegmann, *Kontaktgruppen und EU-3-Verhandlungen*.

EU–US cooperation from the risk of breaking up, as some time will have to pass before the impact of sanctions can be assessed. This has worked to the advantage of the E3/EU, as the E3 lead group is now able to move more freely than when it had to negotiate every single piece of the sanctions regime with the other member states. But this situation can change if the dispute continues to drag on, as the US administration will increasingly be put under pressure to break the stalemate, if necessary, by striking Iran's nuclear facilities (or assisting Israel in doing so). A complicating element is that Obama's room for diplomatic manoeuvre is constrained by a number of domestic constituents profoundly mistrustful of Iran and contemptuous of the clerical regime. This situation has worsened since January 2011, as the Republican Party, which generally regards Obama's Iran engagement policy as useless, now forms the majority inside the US House of Representatives. As no single EU member state (with, perhaps, the exception of France under Sarkozy) has ever expressed anything but concern about the eventuality of a military confrontation with Iran, it is unlikely that EU–US cooperation would stand the strain resulting from a US attack, not least because the EU would probably split.

All this attests to the fact that transatlantic convergence on Iran is more the result of contingent than structural factors. The E3/EU have always been aware that US involvement was necessary in order to meet its long-term objective of normalising relations with Iran. Nonetheless, it got the Bush administration on board by making concessions rather than advocating the advantages of its course of action. Obama's policy line is certainly compatible with, if not equivalent to, that of the E3/EU, but has been defined autonomously and is also being developed autonomously, as demonstrated by Obama's decision to write to the leaders of Brazil and Turkey over their planned deal with Iran even though France and others were opposed. Recognition that transatlantic cooperation has some important shortcomings should not be a reason to dismiss it, however, but rather an incentive to put it on a firmer basis. The experience of the nuclear standoff with Iran provides sufficient evidence that transatlantic cooperation, even if troubled, is likelier to produce the desired results than other, unilateral options.

Conclusion

The United States and the European Union have not eliminated the threat emanating from Iran's nuclear plans. On the contrary, Iran has acquired the expertise to enrich uranium, the most sensitive part of a nuclear programme, and is getting closer to crossing the nuclear weapon threshold. In this regard, the EU–US performance cannot but be judged negatively.

Nevertheless, a number of elements concur to qualify this severe judgment. Thanks to US and EU efforts, there is now an international consensus that the

scarce transparency of Iran's nuclear policy poses a challenge to both regional stability and the nuclear non-proliferation regime. The transatlantic partners have been able to turn such concerns into a demand for action by the Security Council and the IAEA, whose role has been growing over the years. This has both increased pressure on Iran and restored the centrality of two multilateral institutions that were marginalised during the Iraq crisis.

The Security Council's adoption of a dual track approach combining the offer of dialogue and incentives with sanctions is the result of a process that led the United States and the E3/EU from divergence to almost full convergence. Although it took years to get to this point, Americans and Europeans are now rowing in the same direction. As the 'inventor' of the dual track approach, the E3/EU deserves greater credit than the United States. While the Europeans only had to make tactical adjustments to their approach (often with the aim of obtaining a greater degree of US involvement), the United States made a U-turn, shifting from a regime change-inspired attitude to recognition of the political opportuneness of engaging with the Islamic Republic. This has to be considered a crucial achievement because no sustainable settlement is conceivable without full US engagement. On the other hand, the E3/EU have over time lamentably renounced their role of creating momentum for a diplomatic breakthrough by falling in line with US wishes for more sanctions without presenting any diplomatic alternatives.

If a settlement is reached, EU-US cooperation on Iran will reverberate positively through the entire transatlantic relationship. Even in a less ideal scenario, in which the dispute is not solved but managed through diplomatic isolation and sanctions, supporters of the transatlantic bond will have some reason to cheer. They could argue that the E3/EU+3 effort has brought more results in terms of isolating Iran than the unilateral policy of containment the United States followed after 1979. From this perspective, upholding the dual track approach has to be viewed as a critical function of transatlantic cohesion. Obama's willingness to keep the UN front united and his readiness to engage the Iranians within the E3/EU+3 framework were instrumental in overcoming the doubts of a number of EU member states about resorting to sanctions. It is profoundly discouraging, however, to note that the Obama administration seems to have given up on the diplomatic track since the failure of the Geneva deal, in that it has not sought to give more substance to the incentives offered Iran.

The picture would certainly change if the United States were to opt for a military strike – alone or along with Israel – to slow down Iran's nuclear progress. Some EU member states, including France and Britain, would perhaps refrain from openly opposing the US action. Several EU member states, however, are unlikely to buy the argument that the failure of the long European effort to persuade Iran to come clean on its nuclear ambitions has rendered an attack unavoidable. EU-US cooperation on Iran would diminish considerably because intra-EU cohesion

would dissolve. This would greatly reduce the appeal of intra-EU 'lead groups' acting on behalf of the Union in highly sensitive security issues, along the pattern of the E3/EU, and could well result in the United States' further 'bilateralising' its relations with EU member states. As a result, an attack against Iran is likely to undo, or at least jeopardise, whatever benefit may have accrued to the transatlantic partnership from the E3/EU+3 process.

Yet more wide-ranging lessons can be learned from the experience of E3/EU–US cooperation on Iran, irrespective of its still uncertain epilogue. In a situation where a number of concurring elements – scarce international support, uncertain effectiveness, high risk of backlash – limit the appeal of the military option, European and EU political and economic resources provide the Americans with an indispensable crisis management asset.

Circumstances resembling the Iran case can arise in the future. The emerging multipolarity in political and security matters may still have a long way to go before matching the interdependence much of the world has attained in economic terms. But it has developed enough to compel the United States to deliberate thoroughly the consequences of using its still superior military might against a regional power the size of Iran without sufficient international support. In fact, the E3/EU+3 offers the highest-level example so far of an ad hoc crisis management mechanism, the lead group, which fits in an international multipolar system in which competition and cooperation among states, and between states and international organisations, coexist. As the EU–US ability to cooperate becomes ever more important in such a context, strategic planners on both shores of the Atlantic should devote much greater attention to the fact that, in cases like Iran's nuclear issue, transatlantic convergence can turn out to be not an accessory, but a necessary component of an effective policy.

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