

ECPR Standing Group on the EU
Third Pan-European Conference on EU Politics
21-23 September 2006, Istanbul

Coercive diplomacy by the EU. Case-study:
the Iranian nuclear weapons crisis

Tom Sauer

Post-Doctoral Research Fellow of the Research Foundation Flanders at the
Institute for International and European Policy, Katholieke Universiteit
Leuven (Belgium); Lecturer in International Politics at the University of
Antwerp (Belgium)

E-mail: until February 2007: tom.sauer@soc.kuleuven.be; from February 2007:
tom.sauer@ua.ac.be

Coercive diplomacy by the EU. Case-study: the Iranian nuclear weapons crisis

1. Intro

The EU has the ambition to become a global player. The year 2003 can be regarded as a substantial step in that direction. Not only did the EU set up its first military intervention, it also wrote for the first time ever a Security Strategy and, in a separate document, a Non-Proliferation Strategy.¹ But the event that year that probably received most media attention and that raised most expectations was the common diplomatic “démarche” to Teheran by Dominique de Villepin, Jack Straw and Joschka Fischer, the Ministers of Foreign Affairs of the ‘big Three’, on 21 October 2003. The EU-3 made abundantly clear that they would do everything they could to prevent Iran to become a nuclear weapon state.

The objective of this paper is to make an interim-assessment of the European effort to block the Iranian attempt to “go nuclear”. Did the EU succeed in its coercive diplomacy efforts ? Did the EU remain united ? Who took the lead inside the EU ? What have been the difficulties ? What lessons can be drawn ?

In a first part, the concept of coercive diplomacy is explained. What are its key characteristics ? Which factors determine whether coercive diplomacy in general succeeds or fails ? In the second part, the theory is applied to the Iranian nuclear crisis. After a chronological overview of the major events, the following questions are answered: Can the EU attempt be regarded as an example of coercive diplomacy ? Were the conditions fulfilled for successful coercive diplomacy in this specific case ?

2. Coercive diplomacy

Diplomacy is the main instrument for states to interact with each other. Even if the positions seem very opposed to each other and the conflict seems unsolvable, states most of the time do have common interests and may end up with a kind of compromise. Although it may take some time, discovering each other’s underlying interests is worthwhile. The alternative is the

¹ *Basic Principles for an EU Strategy Against Proliferation of Weapons of Mass Destruction*, Brussels, June 2003, <http://ue.eu.int/pressdata/EN/reports/76328.pdf>; *Strategy Against Proliferation of Weapons of Mass Destruction*, Brussels, December 2003, <http://ue.eu.int/pressData/en/misc/78340.pdf>; *European Security Strategy*, “A Secure Europe in a Better World” Brussels, December 2003, <http://www.iss-eu.org/solana/solanae.pdf>.

lingering on of the conflict with the risk of large-scale violence over time, or even a sudden pre-emptive violent attack by one of the actors.

Sometimes, decision-makers do not perceive it in their personal interest to make compromises. States may be very stubborn. This makes the conflict even more difficult to resolve. Positions become hardened. Public opinion gets agitated. The stakes are raised even more. In those circumstances, diplomats may try to use a harder approach, i.e. using threats. If talks alone do not help, one can threaten to use economic sanctions or even military action in order to convince the opponent. This approach is called “coercive diplomacy”.

2.1 Characteristics of coercive diplomacy

Three elements characterize coercive diplomacy: 1) a demand; 2) a threat; and 3) time pressure.² First, a specific demand has to be formulated vis-à-vis the opponent. The objective of the demand is to stop or to reverse an action that the opponent has started. As this demand is supplemented with a threat, the demand should be understood as a requirement. There should be no ambiguity about what exactly is required. Success or failure of coercive diplomacy depends on whether the demand will be fulfilled.

Second, the demand has to be supported by a threat. ‘If you do not agree with this demand, I will punish you by doing X or Y’. As Alexander George pointed out: ‘the general idea of coercive diplomacy is to back one’s demand on an adversary with a threat of punishment for non-compliance that he will consider credible and potent enough to persuade him to comply with the demand’, or, in other words, ‘to create in the opponent the expectation of costs of sufficient magnitude to erode his motivation to continue what he is doing’.³ Most of the time the threat has to be made explicit. The latter can be further supported by action. Organizing military exercises before the coast of the opponent, for instance, may help in convincing the latter that the threat is real. Occasionally, it may suffice to back up the demand with an implicit threat.

Third, it is not sufficient to have a demand combined with a threat. Coercive diplomacy also requires some kind of time pressure. Peter Jakobsen states that: ‘Opponents will simply not perceive a threat of force as credible unless it is accompanied by a deadline for compliance’.⁴

² Alexander George, *Forceful Persuasion. Coercive Diplomacy as an Alternative to War*, US Institute of Peace, Washington DC, 1997, p.7.

³ *Ibid.*, p.4, 11.

⁴ Peter Jakobsen, *Western Use of Coercive Diplomacy after the Cold War. A Challenge for Theory and Practice*, Macmillan, London, 1998, p.29.

George makes a distinction between four categories of time pressure: a) an (explicit) ultimatum that sets a deadline; b) a tacit ultimatum that stresses a sense of urgency; c) a “gradual turning-on-the-screws” approach; and d) a try-and-see approach that does not even mention that escalation is possible.⁵ It is possible to move from one category to another during the conflict, if necessary.

2.2 Factors that determine the success rate of coercive diplomacy

In theory, coercive diplomacy looks like an efficient approach to persuade opponents. In reality, many factors have to be present in order to make coercive diplomacy succeed. Ten factors, which may be clustered around five basic questions, can be distinguished: 1) is the demand legitimate ?; 2) does the opponent believe that there will be more demands turning up in the future ?; 3) is the threat credible ?; 4) is the time pressure credible ?; 5) which actor is mostly motivated to win the game ?⁶ In addition, positive incentives may help to persuade the opponent.

Is the demand legitimate ? Here a distinction can be made between the underlying objective and the specific demand.

1. First, is the underlying objective legitimate ? The objective of the threatening state may be in accordance with international law. But if - at the same time - other states are not pressured to comply with international law, let alone the same law, then critics can easily point to the double standards used by the threatening state(s). Therefore, legitimacy is a broader and more useful concept than legality. If public opinion in the threatening state(s) believes that the final goal is not legitimate, then it will be hard for decision-makers in the threatening state to maintain this policy of coercive diplomacy for a very long time, especially in democratic states.⁷ Mutatis mutandis, if public opinion in the threatened state does not find the underlying objective legitimate, it will support its government in resisting the external pressure. The

⁵ Alexander George, *ibid.*, p.7-9.

⁶ Alexander George distinguishes seven conditions. See Alexander George, *ibid.*, p.75-81. For other works mentioning similar conditions, see Peter Jakobsen, *ibid.*; Thomas Schelling, *Arms and Influence*, Yale University Press, 1966; Bruce Jentleson and Christopher Whytock, ‘Who “Won” Libya ? The Force-Diplomacy Debate and its Implications for Theory and Policy’, in: *International Security*, Vol.30, No.3, Winter 2005/06, pp.47-86.

⁷ Kenneth Schultz, *Democracy and Coercive Diplomacy*, Cambridge University Press, Cambridge, 2001. For a broader theory that emphasizes the role of domestic politics, see: Andrew Moravcsik, ‘Taking Preferences Seriously: A Liberal Theory of International Politics’, in: *International Organization*, vol.51, no.4, Autumn 1997, pp.513-553.

result of the latter will be that the threatened government will become more self-confident and even harder to convince.

2. Second, even if the underlying objective seems legitimate, the specific demand may be (perceived as) excessive. If the demand is not in proportion with the objective, then it will not be regarded as legitimate. Demands should to a certain extent always be limited.⁸

3. *Does the opponent believe that there will be more demands turning up in the future ?* If the opponent believes that more demands will turn up in the future, he will not be eager to give in in the first place. The threatening state should make clear right from the beginning what the overall goals are and what the definitive solution will look like. If not, the opponent will be afraid that starting to give in means to repeat it later on, which will inhibit him to give in in the first place.

Is the threat credible ? The credibility of the threat is a major factor that determines the success rate of coercive diplomacy. As Thomas Schelling posited: 'Hardly anything epitomizes strategic behaviour in the mixed motive game so much as the advantage of being able to adopt a mode of behaviour that the other party will take for granted'.⁹ In *Arms and Influence*, Schelling called it "competition in risk-taking".¹⁰

The credibility of a threat depends on its turn on four factors:

4. First, is the threat proportional to the demand ? If the threat is not in proportion to the demand, than the threat will not be perceived as credible. The threat can either be too big or too small. The threat should be proportional to the specific demand, the underlying objective and the available means. On the other hand, Schelling also warns that in making threats it is not always advantageous to look too rational either.¹¹ In case of threatening with military action, Jakobsen recommends never to exclude the use of ground troops.¹²

5. Second, does public opinion support the threat and its potential consequences ? Sanctions, for instance, may also hurt the economy of the threatening state, which may prevent the use of coercive diplomacy in the first place. On the other hand, a divided public opinion also offers some bargaining advantages. In that case, one can always refer to that part of public opinion that opposes the decision. Treaty negotiators (from the executive branch), for instance,

⁸ Thomas Schelling, *The Strategy of Conflict*, Harvard University Press, 1960; Morton Halperin, *Limited War in the Nuclear Age*, John Wiley & Sons, New York, 1963.

⁹ Thomas Schelling, *ibid.* p.160.

¹⁰ Thomas Schelling, *Arms and Influence*, p.91.

¹¹ Thomas Schelling, *The Strategy of Conflict*, p.187-204.

sometimes refer to their parliaments, which have to ratify treaties. That is a classic example of Robert Putnam's two-level game.¹³

6. Third, does the threatened state fears some kind of escalation ? If that is the case, then coercive diplomacy becomes easier.

7. Fourth, what is the reputation of the threatening state ? If the threatening state has a reputation of making credible threats, then it will be easier to persuade the opponent.

8. *Is the time pressure credible ?* The demand may be legitimate and the threat credible, but if the time pressure is too tight or, in contrast, not tight enough, then the odds are that the threatened state will not give in.

Which actor is mostly motivated to win the negotiation game ?

9. Which actor is mostly motivated in absolute terms ? Motivation basically depends on the size of the national interests involved. If there are vital interests at stake, the odds are that the country will be extremely motivated to win the game.

10. Which actor is mostly motivated in relative terms ? Even if there are substantial interests involved for both states, it is likely that one of them is more motivated than the other in relative terms.

To conclude, coercive diplomacy may seem, and sometimes is, an attractive alternative for both doing nothing and for going to war. On the other hand, as Robert Art states: 'coercive diplomacy is difficult and has a relatively low success rate'.¹⁴ It is not by chance that the title of Alexander George's book is *The Limits of Coercive Diplomacy*.

Regardless of the final outcome, coercive diplomacy diminishes the "marge de manoeuvre" of the threatening state. It restraints its freedom of action. More fundamentally, the strategy of coercive diplomacy can also fail. In that case, there are two basic scenario's for the threatening state left. The threat can be carried out. This may have negative consequences for the threatening state as well. That is why Robert Art recommends: 'Do not resort to coercive diplomacy unless, should it fail, you are prepared to go down the path of war or you have

¹² Peter Jakobsen, *ibid.*

¹³ Robert Putnam, 'Diplomacy and Domestic Politics: The Logic of Two-Level Games', in: *International Organization*, vol.42, no.3, Summer 1988, pp.427-460.

¹⁴ Robert Art and Patrick Cronin, *The United States and Coercive Diplomacy*, US Institute of Peace Press, Washington DC, 2003, p.402-405.

prepared a suitable escape hatch'.¹⁵ The risk exists that the outcome of a war is not advantageous for the threatening state. The alternative approach consists in doing nothing or in trying to find another diplomatic solution. In both cases, the credibility and reputation of the threatening state is undermined, which may have further negative consequences in case of future threats. As Jakobsen concludes: 'While coercive diplomacy is a low-cost strategy when it succeeds, failure is unfortunately very costly as the coercer then faces the grim choice of backing down or executing his threat'.¹⁶

Lastly, it may be that the threatened state only partially agrees with the demand or that he sets conditions. In that case, the strategy may be regarded either as a partial success or a partial failure, depending on where you sit.

3. Case-study: Iran

Before turning to an assessment of the EU's attempt of coercive diplomacy vis-à-vis Iran, let us describe the evolution of the Iranian nuclear program and the reaction by the international community, and in particular the EU.

3.1 EU's policy vis-à-vis Iran's nuclear programme

For heuristic purposes, the four-year period is divided into four sections: 1) the initial phase starting in the summer of 2002; 2) a second phase that starts with the first EU-Iran agreement in October 2003 until the break-up of the negotiations in August 2005; 3) the escalation phase inside the International Atomic Energy Agency (IAEA) until the beginning of February 2006; and 4) the involvement of the UN Security Council since February 2006.

3.1.1. The initial phase (summer 2002-October 2003)

While Iran is a signatory of the Nuclear Non-Proliferation Treaty (NPT) and is therefore legally bound not to acquire nuclear weapons, rumours circulated in the summer of 2002 that Iran was working on a nuclear weapons programme. That information reportedly came from the National Council of Resistance, an Iranian opposition movement that, surprisingly, also

¹⁵ *Ibid.*, p.408-410.

¹⁶ Peter Jakobsen, *ibid.*, p.1.

figures on the terrorist list of the US State Department. It is more than likely that Western intelligence agencies had already access to the same kind of information.

Core elements of these rumours have been confirmed when the IAEA visited Iran in the second half of February 2003.¹⁷ Since then, the Iranian nuclear programme is a regular global news item. And most observers believe that Iran is trying to acquire nuclear weapons in secret, or at least trying to build up the capabilities that are needed to build nuclear weapons.¹⁸ While Iran has the right under the NPT to build a nuclear programme for civilian purposes, it also has the obligation to declare most of their activities to the IAEA. The problem was that Iran had not declared everything that should have been declared to the IAEA. Teheran, for instance, admitted in the summer of 2003 to have experimented in the past with uranium conversion, which is the first step towards uranium enrichment. Since the second half of the 1980's, Iran had partially expanded its nuclear programme in a secret way. This may indeed be an indication that Iran was (and probably still is) secretly working on a military nuclear programme.

The difference between a civilian and a military programme is that the former aims at generating electricity while the latter is meant to produce nuclear weapons. An inherent difficulty in preventing the spread of nuclear weapons is that the technology that is used for building civilian reactors can also be used for military purposes.

While the EU in the past would have reacted in the form of a non-binding statement or would not have reacted at all because of internal divisions¹⁹, the EU now reacted promptly. A couple of weeks after IAEA Director-General Mohammed El Baradei visited Iran and confirmed the existing rumours in February 2003, the Swedish Minister of Foreign Affairs, the late Anna Lindh, proposed in the EU General Affairs and External Relations Council (GAERC) in March to come up with a new EU non-proliferation policy. While most observers link this initiative, which later on was complemented with the European Security Strategy, to the conflict about Iraq and more in particular the divisions within the EU and the absence of a constructive alternative to the belligerent plans of the neo-conservative administration in the

¹⁷ [Http://www.iaea.org/Publications/Documents/Board/2003/gov2003-40.pdf](http://www.iaea.org/Publications/Documents/Board/2003/gov2003-40.pdf).

¹⁸ Mark Fitzpatrick, 'Assessing Iran's Nuclear Programme', in: *Survival*, vol.48, no.3, Autumn 2006, pp.5-26.

¹⁹ For previous EU non-proliferation efforts, see: Paul Cornish (and others)(eds), 'Europe and the Challenge of Proliferation', in: *Chaillot Papers*, no.24, 1996, 71 p; Harald Müller and Lars van Dassen, 'From Cacophony to Joint Action: Successes and Shortcomings of the European Nuclear Non-Proliferation Policy', in: Martin Holland, *Common Foreign and Security Policy*, 1997.

US, it cannot be denied that the Iranian and North Korean²⁰ programmes also played a crucial role.²¹

By chance or not by chance, the same day that the Iraqi war started, the EU Political and Security Committee (PSC) held a seminar about weapons of mass destruction in cooperation with the Swedish International Peace Research Institute (SIPRI). Mid-April 2003, the GAERC formally launched the Non-Proliferation of Weapons of Mass Destruction initiative. The draft text of this first EU Non-Proliferation Strategy was already approved at the Thessaloniki Summit in June 2003, while the final draft was agreed upon on December 2003, in parallel with the overall EU Security Strategy.

In the meantime, Iran had secretly proposed a deal with the US in May 2003. While the State Department showed some interest, neo-conservatives inside the White House immediately rejected the proposal.²² Since the Iranian revolution and the subsequent hostage crisis in 1979, the US had refused to have diplomatic contacts, let alone negotiations, with Iran. The US was still not ready to change its policy. As a result, the EU had a clear opportunity to step in as the main negotiator with Iran.

The EU was already negotiating with Iran on other issues. In December 2002, the EU had initiated negotiations with Iran for a Trade and Association Agreement. Because of the nuclear program, there were voices raised in the EU to halt these negotiations.²³ At the same time, states like France (and earlier the US) asked Iran to sign the Additional Protocol of the IAEA. The latter, which had been introduced in the 1990's on a voluntary basis, provides the IAEA with more rights in finding undeclared materials and possible violations. Iran, however, declined the offer to sign the Additional Protocol, and the EU (despite some protests inside

²⁰ The North Korean nuclear programme became again a hot item in the Fall of 2002 when the US stated that North Korea had admitted that it also pursued enrichment, something which was later on publicly denied by Pyong Yang.

²¹ Clara Portela, 'The Role of the EU in the Non-Proliferation of Nuclear Weapons', in: *PRIF Report*, no.65, Fall 2003, 39 p; Joanna Spear, 'The Emergence of a European "Strategic Personality"', in: *Arms Control Today*, November 2003; Stephen Pullinger and Gerrard Quille, 'The EU: Seeking Common Ground for Tackling Weapons of Mass Destruction', in: *Disarmament Diplomacy*, no.74, December 2003; Mark Smith (and others), 'Fighting Proliferation – European Perspectives', in: *Chaillot Papers*, no.66, December 2003, 92 p; Tom Sauer, 'The "Americanization" of EU Nuclear Non-proliferation Policy', in: *Defense and Security Analysis*, vol.20, no.2, June 2004, pp.113-131; Oliver Meier and Gerrard Quille, 'Testing Time for Europe's Nonproliferation Strategy', in: *Arms Control Today*, May 2005; Eileen Denza, 'Non-Proliferation of Nuclear Weapons; the EU and Iran', in: *European Foreign Affairs Review*, vol.10, 2005, pp.289-311; Milagros Alvarez-Verdugo, 'Mixing Tools Against Proliferation: the EU's Strategy for Dealing with Weapons of Mass Destruction', in: *European Foreign Affairs Review*, vol.11, 2006, pp.417-438.

²² Gareth Porter, 'Neo-con cabal blocked 2003 nuclear talks', in: *Asia Times online*, 30 March 2006, http://www.atimes.com/atimes/Middle_east/HC30Ak01.html; Gareth Porter, 'Iranian crisis in the wilderness', in: *Asia Times online*, 2 May 2006, http://www.atimes.com/atimes/Middle_East/HE02Ak04.html.

²³ Steven Everts, 'Iran Will Be the Test for European Foreign Policy', in: *Financial Times*, 1 June 2003.

the European Commission) took action against Iran by suspending the bilateral negotiations for a Trade and Association Agreement in June 2003.

The IAEA Board Statement of 19 June 2003 confirmed that Iran failed to report certain nuclear materials and activities, but did not declare that Iran was in non-compliance with the IAEA Statute or the NPT.²⁴ The Board also asked Iran to sign the Additional Protocol. Two weeks later, the UK put more pressure on Iran by setting the end of September 2003 as a deadline for signing the Protocol. In August, and in contrast with earlier statements from Iran, it admitted of having received technological support from abroad. The IAEA Board Resolution of 12 September 2003 set another ultimatum: Iran had to provide full information about its program before the end of October 2003.²⁵

3.1.2 The second phase: EU-Iranian negotiations and agreements (October 2003-August 2005)

On 21 October 2003, the Ministers of Foreign Affairs of the EU-3 – France, the UK and Germany – flew to Teheran to negotiate directly with the regime in Teheran. Dominique de Villepin, Jack Straw and Joschka Fisher succeeded in signing an agreement with Iran. In exchange for further negotiations, Iran agreed to suspend its enrichment program, to sign the Additional Protocol and to adhere to the Protocol in the meantime.²⁶ This was perceived as a major breakthrough. Not only did the EU-3 act united (in contrast with the Iraq crisis), their action was – at least publicly – backed by the other EU member states. Most fundamentally, the EU-3 succeeded in signing an agreement with Teheran. A couple of days later, Iran submitted a “full” declaration about its nuclear program to the IAEA. As a result, the IAEA resolution of 26 November 2003, although it strongly deplored Iran’s past failures and breaches, did not want to declare that Iran was “in non-compliance”.²⁷ This outcome was basically the result of European diplomacy, which had to find a compromise between the positions of Iran and the US. This bridge-building exercise would be repeated over and over again in the coming years.

²⁴ <http://www.iaea.org/NewsCenter/MediaAdvisory/2003/medadvise200372.html>.

²⁵ <http://www.iaea.org/Publications/Documents/Board/2003/gov2003-69.pdf>.

²⁶ Iran signed the Additional Protocol of the IAEA on 18 December 2003.

²⁷ <http://www.iaea.org/Publications/Documents/Board/2003/gov2003-81.pdf>.

In December 2003, the High Representative for CFSP Javier Solana was added to the European negotiating team.²⁸ The other EU member states felt to a certain extent out of the loop and had asked Solana to play the role of go-between.

The first backlash for the EU happened in the beginning of 2004. After the US had made clear that Iran was violating the October 2003 agreement, also an IAEA report warned in March 2004 that there were missing parts in the Iranian declarations.²⁹ Iran on its turn felt unhappy with the “carrots” obtained from the EU and threatened to resume conversion and to build a heavy water plant. El Baradei visited Teheran in the beginning of April and could convince the Iranians to hand over a second “full” declaration on 20 May 2004. Another IAEA report a couple of weeks later, however, talked again about contradictory information provided by Iran. The IAEA Board Resolution deplored ‘that Iran’s cooperation has not been as full, timely and proactive as it should have been’³⁰. In reaction, Iran announced that it would start to produce centrifuges again.

In the beginning of September 2004, Iran started to convert uranium into uranium gas. The EU raised the stakes: Iran had to cooperate with the IAEA before the end of October 2004. It appears that this ultimatum had effect. Four days later, Iran agreed to continue the suspension for a couple of months. It would not be the last time that Iran tried to please the IAEA right before the Board of Governor’s meeting. The Board agreed that Iran had to provide all the necessary information before the next meeting at the end of November 2004, but without automatic trigger to send the file to the UN Security Council in case of non-compliance.³¹

The EU-3 proposed a new overall deal with Iran on 21 October 2004 that would include the start of broader negotiations, economic benefits and the delivery of light water reactors.³² This second EU-Iran agreement was formally signed in Paris on 14 November 2004, and included a renewal of the suspension of the Iranian program.³³ Under pressure from Russia and China, the IAEA Board ten days later even agreed that Iran’s suspension was voluntarily instead of legally binding.³⁴

In December 2004, three EU-Iran working groups were established for negotiating the following items: 1) the transfer of nuclear technology; 2) trade and cooperation; and 3) security. Already in January 2005, however, differences popped up with respect to the timing.

²⁸ Interview EU official.

²⁹ <http://www.iaea.org/NewsCenter/Statements/2004/ebsp2004n002.html#iran>.

³⁰ <http://www.iaea.org/Publications/Documents/Board/2004/gov2004-49.pdf>.

³¹ <http://www.iaea.org/Publications/Documents/Board/2004/gov2004-79.pdf>.

³² Light water reactors are more proliferation resistant than HEU reactors.

³³ <http://www.iaea.org/Publications/Documents/Infocircs/2004/infocirc637.pdf>.

³⁴ <http://www.iaea.org/Publications/Documents/Board/2004/gov2004-90.pdf>.

While Iran expected the conclusion of the negotiations within weeks or months, the EU did not expect these talks to be finished in one or two years time. Teheran even warned in February that the talks had to be concluded by mid-March 2005. At the end of February, the EU succeeded in convincing the US to come up with new “carrots”: membership of the World Trade Organization and spare parts for airplanes. But it failed to convince the US to offer security guarantees. In the meantime Iran launched different proposals in the working groups. Iran got on its turn frustrated because of lack of cooperation on behalf of the EU. Consequently, Iran threatened to halt its suspension again. In response, the EU threatened to halt the negotiation process in case Iran would start again with conversion.

The shadow of the Iranian presidential elections in June had also a major influence on the negotiations before. The EU and the US expected that former President Rafsjanjani, who was regarded as a stronger figure than President Khatami, would win the elections and be able to take a more moderate view on the nuclear issue. The EU promised to launch a new proposal in the beginning of August 2005. Instead of Rafsjanjani, and to the surprise of the rest of the world, it was the conservative Mahmoud Ahmadinejad who won the elections. Right from the beginning, he made clear that Iran had the right to have its own nuclear fuel cycle, including enrichment and reprocessing. It was therefore not surprising that Iran rejected the European proposal of 5 August 2004. Iran also started to converse uranium. The EU consequently broke off the negotiations.

3.1.3 The third phase: escalation within the IAEA (August 2005-February 2006)

The start of the uranium conversion was regarded by the EU as a transgression of the “red line”. For the first time ever, the EU succeeded to convince Russia and China not to use their veto against an IAEA resolution that would formally state that Iran was in non-compliance with the IAEA Statute. The 24 September 2005 IAEA Board Resolution was supported by the EU, the US and most other members; Russia and China abstained; only Venezuela voted against. The resolution also warned Iran that if it would not comply before the next meeting, its file would be sent to the UN Security Council.³⁵

The EU made clear that it would only negotiate again if Iran suspended its enrichment program. This meant an implicit acceptance of the uranium conversion that was taking place, while the EU had always included a ban on conversion before. Thanks to new documents

³⁵ <http://www.iaea.org/Publications/Documents/Board/2005/gov2005-77.pdf>.

provided by Iran to the IAEA in October 2005 and despite the extremist declarations of President Ahmadinejad with respect to Israel around the same time, the IAEA Board of Governors did not yet send the Iranian file to the Security Council in November 2005.³⁶ Again, the EU member states found a compromise between the American position on the one hand and the Russian and Chinese views on the other.

In December 2005, a new round of negotiations between the EU-3 and Iran went nowhere. Iran even threatened with uranium enrichment. When Iran actually carried out its threat on 9 January 2006, a new “red line” was crossed in the eyes of the EU and the US. This time, they were determined to send the Iranian file to the UN Security Council. In reaction, Iran threatened to halt its voluntarily cooperation with the IAEA and to accelerate its program from the level of R&D to an industrial scale.

3.1.4 The fourth phase: UN Security Council engagement (since February 2006)

After three years, the IAEA sent the Iran file to the UN Security Council during a special meeting of the Board on 2-3 February 2006.³⁷ It was again the EU that had drafted the resolution. This time not only Venezuela, but also Syria and Cuba voted against. Russia and China voted in favour. The actual discussions inside the Security Council would only start in the beginning of March 2006. Nevertheless, Iran executed what it had threatened to do: it suspended its voluntarily cooperation with the IAEA and it accelerated its enrichment program.

In the meantime, Germany was prepared to consider a Russian proposal that included limited enrichment in Iran under international – read IAEA – supervision.³⁸ The latter led to public frictions with the UK and France.

On 29 March 2006, after weeks of negotiations, the Security Council adopted a so-called Declaration of the Chairman, which is not legally binding. This unanimously adopted document gave Iran another month to come clean.³⁹ But Iran seemed again not impressed. On the contrary, on 11 April 2006 Iran proudly announced that it had succeeded in enriching uranium up to 3.5 % thanks to a cascade of 164 centrifuges. The next IAEA Report

³⁶ <http://www.iaea.org/Publications/Documents/Board/2005/gov2005-87.pdf>.

³⁷ <http://www.iaea.org/Publications/Documents/Board/2006/gov2006-14.pdf>.

³⁸ Mark Beundermann, ‘Russian Move on Iran Challenges EU Unity’, in: *EU Observer*, 7 March 2006. [Http://euobserver.com/9/21062](http://euobserver.com/9/21062).

³⁹ <http://www.un.org/News/Press/docs/2006/sc8679.doc.htm>.

recommended the Security Council to agree on a formal resolution in order to increase the pressure on the government of Iran.⁴⁰

On 8 May President Ahmadinejad made a special move by writing a letter to President Bush, which was later on published in the media.⁴¹ While its content could be easily criticised, the lack of a direct response by the US further encouraged internal frictions inside the EU. This criticism, however, faded away because of two successes of the EU-3.⁴² First, at the end of May, the EU-3 succeeded in convincing the US to negotiate with Iran, something it had always refused since 1979. The US, however, set as a condition for multilateral talks that Iran first had to suspend its enrichment programme. Second, the EU-3 also succeeded in convincing the US, Russia and China to agree on a new common package for Iran, which was offered by Solana to the decision-makers in Teheran on 5 June 2006. Orally, he also explained what the sanctions would be if Iran did not agree. The latter would include a UN Security Council Resolution that would open the door for sanctions. While there was no formal deadline, the international community hoped to get an answer from Iran before the G-8 summit in St Petersburg mid-July 2006. Iran, however, immediately made clear that it would only respond in August.

At the end of June, Germany appeared again in favour of a proposal that would allow limited enrichment. The US, however, immediately blocked further attempts in that direction.⁴³

When it became clear that Iran was not interested in the latest proposal by the international community, the UN Security Council started to draft a resolution. After two weeks of negotiations, the first (formal) UN SC resolution was agreed upon on 31 July 2006.⁴⁴ It required - under Chapter 7 of the UN Charter - that Iran suspended its enrichment program before 31 August 2006. It also threatened with a new resolution that would open the door to “appropriate measures” – read sanctions - in case Iran did not comply. Only Qatar voted against. Iran immediately rejected the resolution as “illegitimate”.

On 22 August, Iran also sent a 21-page answer to the proposal made by Solana at the beginning of June.⁴⁵ One week later, the non-EU-3 members complained at the “Gymnich” in

⁴⁰ <http://www.iaea.org/Publications/Documents/Board/2006/gov2006-27.pdf>.

⁴¹ <http://edition.cnn.com/interactive/world/0605/transcript.lemonde.letter/>.

⁴² Interview EU official.

⁴³ ‘EU, Iran to Meet on Nuclear Offer Next Week’, NTI Global Security Newswire, 29 June 2006.

⁴⁴ <http://www.un.org/News/Press/docs//2006/sc8792.doc.htm>.

⁴⁵ <http://www.isis-online.org/publications/iran/iranresponse.pdf>.

Finland that they had not yet seen that document. More in particular, Italy, Spain, Greece and the Netherlands were mentioned in the press of being dissatisfied with the EU-3 approach.⁴⁶ As everybody expected, Iran did not comply with the UN Security Council Resolution's deadline.

While the US immediately wanted to draft a new UN Security Council resolution that included sanctions, it became clear that not only Russia and China but also the EU were not yet ready. France, for instance, noticed on 7 September that the condition to start up new negotiations for Iran, namely to suspend uranium enrichment, was not fair.⁴⁷

New talks between Solana and Larijani on 10 September raised the possibility of a new deal. Iran would be prepared to suspend its program on a voluntary basis for one or two months, as it had earlier suggested in its written answer on 22 August.⁴⁸ David Albright, director of the Washington-based *Institute for Science and International Security* was sceptical, but nevertheless recommended the EU 'to interpret the document in a favourable manner and not reject it out-of-hand, while insisting on a full suspension of Iran's uranium enrichment program, even if for a limited time as a condition for launching formal negotiations'.⁴⁹ Even US Secretary of State Condoleezza Rice signalled that a temporary suspension could pave the way for direct negotiations with the US.⁵⁰

3.2 Coercive diplomacy by the EU in Iran

Before matching the theoretical conditions for effective coercive diplomacy with our case-study, let us verify whether the EU approach towards Iran can indeed be categorized as an example of coercive diplomacy.

3.2.1 Is the EU approach towards Iran an example of coercive diplomacy ?

As explained above, coercive diplomacy is characterized by the combination of a demand, a threat and time pressure. First, the EU has made many demands. The underlying goal of the

⁴⁶ Mark Beundermann, 'EU Members Want More Openness from Solana on Iran', in: *EU Observer*, 2 September 2006. [Http://euobserver.com/9/22322](http://euobserver.com/9/22322).

⁴⁷ 'U.S. to Push for Iran Sanctions Next Week', NTI Global Security Newswire, 8 September 2006.

⁴⁸ Ian Traynor, 'Iran Offers to Freeze Uranium Enrichment for Eight Weeks', in: *The Guardian*, 11 September 2006.

⁴⁹ David Albright and Jacqueline Shire, 'Iran's Response to the EU: Confused but Sporadically Hopeful', ISIS, 11 September 2006. [Http://www.isis-online.org/publications/iran/confusedbuthopeful.pdf](http://www.isis-online.org/publications/iran/confusedbuthopeful.pdf).

⁵⁰ Glenn Kessler and Dafna Linzer, 'Brief Nuclear Halt May Lead to Talks With Iran', in: *The Washington Post*, 12 September 2006, p.A20.

EU is very clear: Iran should not be allowed to acquire nuclear weapons. As Iran claims that it does not want nuclear weapons, the focus is on the capacity to build nuclear weapons. The EU wants to prevent Iran to build a large-scale nuclear fuel cycle, including enrichment and reprocessing facilities. The specific goalposts, however, have already been moved forward due to technological progress by Iran. Right at the start, the EU did not allow Iran to converse uranium. When Iran did converse, the EU implicitly agreed and asked not to enrich. It remains to be seen whether the EU will move the current goalpost from not allowing any enrichment at all to allowing Iran to do some enrichment.

Second, these demands have been combined with threats. The EU, for instance, threatened to halt the bilateral negotiations in case Iran started to converse. The EU executed this threat in August 2005 after Iran started to converse. The EU also threatened to send the Iranian file to the Security Council if Iran started to enrich uranium. The EU also executed this threat because of Iran's enrichment starting in January 2006. The UN Security Council resolution in July 2006, drafted mainly by the EU-3, threatened with a new Security Council resolution that would include sanctions in case Iran did not suspend its enrichment program.

Third, some of these threats have been accompanied by time pressure. The best example is the UN Security Council resolution of 31 July 2006, which gave Iran until 31 August 2006 to comply. To conclude, the EU approach towards Iran can clearly be regarded as an example of coercive diplomacy.

3.2.2 Conditions for effective coercive diplomacy fulfilled ?

Our objective is to make an interim-assessment of the European attempt to convince Iran, using the instrument of coercive diplomacy. Our hypothesis is that the EU was not completely aware of the difficulties of such an approach. To verify whether this hypothesis is correct, the theoretical conditions mentioned above should be compared with the actual situation at the start of the attempt in 2003. As the attempt could in theory have been cancelled at any given time, and as it is a moving target, one can in principle repeat this exercise for each moment during the conflict.

1. A legitimate underlying objective

Is preventing Iran from becoming a nuclear weapon state a legitimate objective ? On a first sight, this seems a reasonable and legitimate objective. The spread of nuclear weapons over

more countries should indeed be prevented. There is however a caveat. The cornerstone of the nuclear non-proliferation regime, the Nuclear Non-Proliferation Treaty (NPT), consisted of a deal between the nuclear weapon states and the non-nuclear weapon states. The former were defined as those states that had exploded a nuclear device before 1 January 1967.⁵¹ All other signatory states agreed to remain non-nuclear weapon states. The IAEA is responsible for verifying the civilian nuclear installations inside the non-nuclear weapon states. Two things, however, were promised in return for the non-nuclear weapon states: first, the non-nuclear weapon states would get support in establishing a civilian nuclear programme (art.4); second, the discriminatory nature of the regime was only meant to be a temporary measure as the nuclear weapons states had promised to get rid of their nuclear weapons over time (art.6).

Iran signed the NPT in 1970. It therefore promised never to acquire nuclear weapons. If Iran nowadays is trying to acquire nuclear weapons in secret, which the IAEA has still not been able to confirm, that would be illegal. For many observers, to prevent Iran from becoming a nuclear weapon state would therefore be legitimate. A counterargument that cannot easily be dismissed, however, is that *each* signatory state of the NPT should fulfil its obligations. If not, the regime can easily be criticised of double standards, which would rapidly undermine the regime as such.⁵²

The question that is immediately raised is the following: are the nuclear weapon states in compliance with the NPT and more in particular with respect to nuclear disarmament (art.6) ? Is it normal that there are still 27,000 nuclear weapons on earth 36 years after the entry into force of the NPT ? More fundamentally, are the nuclear weapon states willing to get rid of their nuclear weapons ? If that is not the case, which seems to correspond with reality⁵³, then one could question how legitimate it is to pressure the non-nuclear weapon state to fulfil their obligations. If France believes that nuclear weapons are vital to protect its national interests (and apparently more important than the legal obligation to get rid of them), how could one credibly convince a state like Iran - that is situated in a much more volatile region, surrendered by the US in the West (Iraq, Turkey), in the East (Afghanistan, Pakistan) and in the South (Persian Gulf, Gulf states), and situated between two “de facto” nuclear weapon

⁵¹ The US, the former USSR, the UK, France and China are the formal nuclear weapon states.

⁵² Mohamed El Baradei, Nobel Lecture, 10 December 2005, <http://www.nobelprize.org/peace/laureates/2005/elbaradei-lecture-en.html>; Tom Sauer, ‘The Nuclear Non-Proliferation Regime in Crisis’, in: *Peace Review*, vol.18, no 3, Fall 2006, <http://soc.kuleuven.be/ieeb/docs/2006-TS-peacereview.pdf>.

⁵³ For the case of the US, see: Tom Sauer, *Nuclear Inertia. US Nuclear Weapons Policy after the Cold War*, I.B.Tauris, London, 2005, 256 p.

states (Israel and Pakistan) that are apparently allowed to keep their nuclear weapons - not to acquire nuclear weapons ?⁵⁴

This two-standards criticism was already known in 2003. The fact that the EU was presented for two thirds by nuclear weapon states may explain the low level of sensitivity for this kind of criticism. One can even argue that the demand vis-à-vis Iran became even more illegitimate over time. As a result of the Iranian crisis, the Bush administration proposed in 2004 to deny access to a complete nuclear fuel cycle for non-nuclear weapon states that did not yet possess such far-reaching civilian programmes. As it is rather easy for states with extensive civilian nuclear programs to convert them to a military program, such proposals do make sense. The NPT, indeed, contains a loophole in this regard. On the other hand, while this proposal may seem opportune from a non-proliferation point of view, it is in contradiction with article 4 of the NPT that states that non-nuclear weapon states have the right to obtain support for their civilian nuclear programmes. The adoption of this American proposal therefore would mean a fundamental limitation of the rights of the non-nuclear weapon states under article 4. States like Brazil therefore oppose these proposals and do link it with the obligations of the nuclear weapon states to disarm. In short, it would not be legitimate to strengthen article 4 in the absence of similar measures with respect to nuclear disarmament. Nuclear proliferation and nuclear disarmament are both sides of the same coin. It is not by chance that the NPT is both a nuclear non-proliferation and nuclear disarmament treaty.

The counterargument is that Iran is not in good standing with the NPT.⁵⁵ This argument is correct, but it is neutralized by the fact that also the nuclear weapon states are not in good standing either (see above). Worse, India that has never signed the NPT and therefore has in theory no right to get support for its civilian nuclear program is now being helped by the US. This is turning logic upside down. It further highlights the double standards of the nuclear non-proliferation regime.

While this criticism was not problematic in the first stages of escalation with Iran, it will probably be of crucial importance in the future when the rest of the world may be asked to impose sanctions or to use military force against Iran. While many states in the world would prefer to see a nuclear-weapons-free Iran, they also regard the existence of two standards as highly problematic. Many of them have criticized the nuclear weapons states in the past, more

⁵⁴ While both Israel and Pakistan have never signed the NPT, they acquired nuclear weapons in an obscure and probably illegal way.

⁵⁵ Robert Cooper, Letter to the Editor, in: *The Financial Times*, 7 September 2005.

in particular in the framework of the NPT Review Conferences. The latest NPT Review Conference in 2005 was a fiasco due to the opposition of the non-nuclear weapon states (with Egypt as their spokesman) vis-à-vis the nuclear weapon states. Also the creation of the New Agenda Coalition in 1998 should be regarded in this light.⁵⁶ It is therefore highly unlikely that many of the non-nuclear weapon states are willing to support the nuclear weapon states in their demand for harsh measures against countries like Iran. It is also not by chance that Germany, the only non-nuclear weapon state in the EU-3, takes the softest approach (see before).

The criticism that the EU's demand is not legitimate is of course used or misused by Iran. President Ahmadinejad for instance stated in an interview with *Der Spiegel* in May 2006: 'The IAEA was also established to promote the disarmament of those powers that already possessed nuclear weapons'.⁵⁷ But even if this discourse is misused by Iran, there is a lot of truth in this reasoning, which makes it very hard for the rest of the world to enforce counterproliferation, not only in Iran but also in general.⁵⁸

2. A legitimate demand

Iran never disputed the fact that it is not allowed to have nuclear weapons. What Iran disputes is the fact that it is not allowed to enrich uranium. The latter is the right of each non-nuclear weapon state. Even more, Iran is allowed to get technological support for these activities according to article 4 of the NPT. One could therefore question whether it is a reasonable demand to ask Iran not to enrich uranium. The counterargument is that the NPT leaves a dangerous loophole that may be exploited by malicious states. States that have the intention to secretly producing nuclear weapons may try to acquire a very sophisticated civilian programme under the guise of article 4 of the NPT, and at a certain time simply withdraw from the treaty, something that is allowed under the treaty. This scenario has been followed by North Korea. Pyong Yang withdrew from the NPT in 2003 and announced two years later that it possessed nuclear weapons. Iran may in principle do the same as North Korea. The crucial problem in this regard is to know the Iranian intentions. Based on the capabilities that the IAEA has seen, it can still not determine whether Iran is building nuclear weapons. Even

⁵⁶ Celso Amorim (and others), 'What Does Not Exist Cannot Proliferate', in: *International Herald Tribune*, 2 May 2005.

⁵⁷ Stefan Aust (and others), "'We Are Determined'", In: *Der Spiegel*, 30 May 2006.
[Http://service.spiegel.de/cache/international/spiegel/0,1518,418660,00.html](http://service.spiegel.de/cache/international/spiegel/0,1518,418660,00.html).

the American intelligence agencies shrink from making such statements.⁵⁹ On the other hand, the IAEA did confirm that Iran has not always complied with the IAEA Statute (see above). On the other hand, the same criticism as before pops up again. Do the nuclear weapon states intend to get rid of their nuclear weapons, as they are legally supposed to do ? If that is not the case, how reasonable or legitimate is it to demand Iran not to enrich uranium ? Of course, Iran uses or misuses these contradictions to defend its position. Iranian top negotiator Larijani, for instance, stated in the beginning of May 2006: ‘There must be a balance between the rights and the obligations stemming from the NPT. It is not fair that we should have all the obligations but not enjoy the rights’.⁶⁰ President Ahmadinejad pointed out in August 2006: ‘How can the Iranian nation give up its obvious right to peaceful nuclear technology, when America and some other countries test new atomic bombs each year ?’⁶¹

A further distinction can be made with respect to the size of the civilian nuclear program that Iran should be allowed to possess. On this point there exists a lot of debate. The US takes the most extreme position: no enrichment at all. Remarkably, the US was able to convince the European negotiators to follow this line since November 2004.⁶² In theory, one could envisage that Iran would be allowed to have a limited (and delayed) enrichment program as the latter would not allow Iran to produce nuclear weapons. This has been proposed by, for instance, the International Crisis Group in the beginning of 2006.⁶³ This idea has been repeated by Russia, and also Germany considered this proposal in the beginning of March 2006. But again, the US, the UK and France were able to persuade Germany and also Russia to withdraw this proposal. One of the American counterarguments is that “you cannot be a little bit pregnant”. Scientists, however, do not agree with this position. In the end, it will be a political decision, based on trust in Iran, that will allow or not allow this proposal to be further considered. The same applies to another proposal by scientists, this time from MIT, to build a multinational or even supranational enterprise in Iran that would allow Iran to build even a rather large-scale enrichment program on the condition that it would be surveyed by international monitors 24 hours a day. The enterprise would consist both of Iranian and

⁵⁸ Selig Harrison, ‘It is Time to Put Security Issues on the Table with Iran’, in: *The Financial Times*, 18 January 2006.

⁵⁹ Dafna Linzer, ‘US Spy Agencies Criticized on Iran’, in: *The Washington Post*, 24 August 2006, p.A01.

⁶⁰ ‘Iran to Remain in Nuclear Treaty, Chief Negotiator Says’, NTI Global Security Newswire, 9 May 2006.

⁶¹ ‘Iran Says Ready to Discuss Suspending Enrichment’, NTI Global Security Newswire, 17 August 2006.

⁶² Interview EU official.

⁶³ International Crisis Group, ‘Iran: Is there a Way Out of the Nuclear Impasse ?’ In: *ICG Middle East Report*, No.51, 23 February 2006, 32 p.

international engineers and employees. Self-destruction mechanisms would be installed to prevent break-out in case Iran cheats.⁶⁴

The point is that it will be hard to keep the demand of “no enrichment at all” forever. This demand seems excessive and therefore not very legitimate. It is normal that the US and possibly others adopt it as their opening position in the negotiations, but it is also normal to relax this condition over time. The EU and the US already made similar moves before. In the beginning of the negotiations, the Western view was “no conversion”. However, when Iran did converse in 2005, the EU and the US had to come back on their earlier position. In principle, the same can happen again with respect to enrichment. As a diplomat in Vienna stated: ‘The US will push very hard until the last minute in the hope of getting the Iranians to give in but at the end of the day they will accept some form of enrichment activity’.⁶⁵

3. Iranian fear of slippery slope

It is very likely that Iran is afraid that once it agrees with the demands of the EU (and the US) that then demands with respect to other domains will follow, including in the domain of human rights, the support of terrorist groups, the recognition of Israel, and possibly regime change. If that fear is really present, which seems likely, then it may have a negative effect on the negotiations with regard to the nuclear programme. More in particular, Iran will try to postpone possible concessions in the nuclear domain as long as possible. President Ahmadinejad warned its public opinion: ‘If you give in on nuclear weapons program, they’ll ask about human rights. If you give in on human rights, they’ll ask about animal rights’.⁶⁶ The only solution to prevent that logic to dominate inside Iran is to start negotiations on all these topics, except of course on regime change. The latter will also have to include some sort of security guarantees on behalf of the US.⁶⁷ As the US even refused to talk to Iran until May 2006, the EU was (and still is) basically taken hostage by the American unwillingness to talk, let alone to provide security guarantees.

⁶⁴ Geoffrey Forden and John Thomson, ‘Iran as a Pioneer Case for Multilateral Nuclear Arrangements’, MIT Science, Technology and Global Security Working Group, 16 June 2006.

⁶⁵ Michael Adler, ‘IAEA Studies Enrichment Compromise but US Remains Unimpressed’, in: *AFP*, 25 June 2006, <http://news.yahoo.com/s/afp/20060625>.

⁶⁶ Quoted by Ray Takeyh who was interviewed by Bernard Gwertzman on 31 January 2006, Council on Foreign Relations. [Http://www.cfr.org/publication/9718](http://www.cfr.org/publication/9718).

4. A proportional threat

The problem is that the threat that will impress the Iranian decision-makers most is a military strike by the US.⁶⁸ At the same time, however, such attacks are generally regarded as disproportional and therefore not credible. Such attacks are perceived as disproportional because the underlying objective is not regarded as legitimate by most people around the world, especially in the Middle East (see 1.). A military action by the US against Iran will provoke violent reactions by Iran and Muslims in the Middle East.⁶⁹ Iran can retaliate in different ways. Iran possesses intermediate ballistic missiles, possibly laden with chemical weapons, which can be fired against Israel. Iran can further destabilize the situation in Iraq. It can ask organizations like Hamas and Hezbollah to react. Iran can also destabilize the export of oil from the Persian Gulf towards the rest of the world by trying to close the Street of Hormuz. Muslim terrorists around the world may react as well. These risks, or only a couple of them, do not seem in proportion to the possible threat of a nuclear Iran. The major point, however, is that Iranian decision-makers also make this calculation and therefore seem not afraid of such an attack. The end result is a self-confident Iran that will not make (big) concessions at the negotiating table.

5. A threat supported by public opinion

Another threat that will be regarded as rather effective by the Iranian decision-makers would be large-scale economic sanctions. The problem, however, with large-scale economic sanctions is not so much that they will be regarded as disproportional by world public opinion, but as not being credible because of the simple fact that large-scale economic sanctions will hurt the rest of the world as well. As Iran produces 4.2 million barrels oil a day (out of 84 million worldwide), it is abundantly clear that the oil price in the world will further increase, much more than already is the case today.⁷⁰ This may have substantial negative effects on the world economy. In addition, some regional powers like China depend a lot on oil and gas imports from Iran. China imports 14 % of its oil from Iran; Italy 9 %, France 6 %, etc. Most major states, except the US, also have substantial non-energy trade relations with

⁶⁷ Selig Harrison, *ibid.*; Scott Sagan, 'How to Keep the Bomb from Iran', in: *Foreign Affairs*, vol.85, no.5, September/October 2006, pp.45-59.

⁶⁸ Although the real effect on the ground may be limited as not all the "secret" facilities are known and as Iran can easily start up the program again later on.

⁶⁹ Paul Rogers, 'Iran: Consequences of War', in: *Oxford Research Group Briefing Paper*, February 2006, 14 p.

Iran. Exporters in states like Italy, Germany, and Austria will be substantially hurt. Russia, on the other hand, has been promised a lot of money by Iran for constructing nuclear power reactors (like Buser) and sells a lot of conventional weapons to Teheran. In short, public opinion in the developed world is not eager to see their governments impose large-scale economic sanctions vis-à-vis Iran. As the Iranian decision-makers are very much aware of that, this threat is not credible either. The result is the same as mentioned before: a self-confident Iran that will not make (big) concessions at the negotiating table.

Advocates of large-scale economic sanctions argue that there is a chance that the benefits outweigh the costs, in the sense that the Iranian people will start to grumble before public opinion in the rest of the world will be fed up with the negative consequences of sanctions. While the latter is highly debatable, an additional problem is that Iran is not a country that has a good reputation with respect to human rights and respect for political opposition. As a result, grumbling by the Iranian public opinion – at least in the first stages - may be easily oppressed by the Iranian security forces. The chances that massive protests will lead to regime change are not regarded as extremely likely by most experts (although one cannot rule it completely out either). The cases of China and Belarus are probably more relevant than those of Georgia and Ukraine. The former can be regarded as ‘stronger’ states than the latter. Iran also belongs to the former category.

To conclude, both large-scale economic sanctions and military action are not regarded as credible threats in Teheran. Small-scale economic sanctions, in contrast, are not effective. In short, it is unclear how one can threaten Iran in both an effective and credible way.

6. Fear of escalation

As explained above, Iran does not fear escalation. *Mutatis mutandis*, the fear of escalation will certainly exist in Iran’s neighbouring countries, which may have further restraining effects on possible military actions against Iran.

7. Reputation

The EU has basically no reputation of threatening with sanctions, let alone military action. And the only international actor that has such a reputation, the US, is already stretched to its

⁷⁰ Charles Krauthammer, ‘The Iran Charade: Part II’, in: *The Washington Post*, 18 January 2006, p.A17.

limits due to the wars in Iraq and Afghanistan. That is an additional reason why Iran has not much to fear from the US.

8. Credible time pressure

The international community set a lot of deadlines such as the end of October 2003, the end of October 2004, the beginning of March 2006, the end of April 2006, mid-July 2006, and the end of August 2006. It had given enough time to Iran to change its position if it had wanted to do so.

9. Absolute motivation

The odds are that Iran's motivation for acquiring nuclear weapons is very high. In general, there are three reasons why nations obtain nuclear weapons: security, prestige, and domestic interests.⁷¹ For Iran, the security situation is certainly part of the calculation. Iran is located in a geo-strategically important region due to scarce resources like oil and gas. If it wants to limit pressure from external states, nuclear weapons may help, or at least that may be the perception. To blackmail a nuclear weapon state may be more difficult than to blackmail a non-nuclear weapon state. Ayatollah Khomeini only revived the nuclear program in the second half of the 1980s, very much influenced by the Iraqi attack against Iran in 1980 and the lack of international condemnation of the latter. It was also common knowledge that Israel possessed nuclear weapons since the end of the 1960s and that Iraq was involved in a similar program in the 1970s and 1980s. The pre-emptive attack by Israel against the Iraqi Osiraq reactor in 1981 further accelerated the program under Saddam Hussein. The Gulf War in 1991 on its turn increased the American military presence in the region, including in Saudi-Arabia. The end of the Cold War diminished the support of states like Russia and China for states like Iran. After 9/11 Iran was categorized by the Bush administration as part of the "axis of evil". It further deepened the Iranian suspicions vis-à-vis the US. All these facts stimulated (and still stimulates) Iran in its quest for nuclear weapons. One could, in theory, argue that the US released Iran from two malicious neighbours, namely the Taliban and Saddam Hussein. While this is true, it misses the point that Iran felt even more encircled by the US thereafter (see above). In short, if one state feels insecure, it is Iran. Last but not least, the Iranian decision-

⁷¹ Scott Sagan, 'Why Do States Build Nuclear Weapons?', in: *International Security*, vol.21, 1996-1997, pp.54-86.

makers did notice that Iraq (without nuclear weapons) was attacked by the US, while North Korea (with nuclear weapons) was not. This may have further strengthened the position of the advocates of a nuclear weapons program in Iran. Second, Iran has also the ambition to be(come) a regional power in the Middle East, even more as it is already today. Nuclear weapons help to get that bit of prestige that it lacks today. Also internally, a nuclear weapons programme is regarded as a prestigious project by public opinion. Third, there are also groups and individuals inside Iran that have a special – parochial – interest in acquiring nuclear weapons: scientists, universities, the military, etc. To conclude, Iran is highly motivated to obtain nuclear weapons.

10. Relative motivation

While the EU and the US are also very much determined to prevent Iran from acquiring nuclear weapons, it is unlikely that they are as determined as Iran. Iran wants to become a nuclear weapon state and is willing to take many risks in this regard. The international community, in contrast, does not like the idea of a nuclear Iran, but it is probably unable to pressure Iran very hard to give up its program. This is a classic example of asymmetrical motivation. History shows that smaller players can win in case of asymmetrical motivation, as for instance the Vietnam war and the recent Lebanon war show.⁷² With respect to “hard” proliferation cases, the international community (including the US) has not a very good reputation either. Israel, India, Pakistan and North Korea became nuclear weapon states, while the West had tried to prevent it. Israel and Pakistan became even close allies of the US. As mentioned above, the US is currently also proposing a new agreement with India, which not only goes against the spirit but also the letter of the rules of the Nuclear Suppliers Group and the nuclear non-proliferation regime in general. The message for Iran is clear: once nuclear weapons acquired, it will sooner or later be accepted, and maybe even rewarded... That is at least what proponents of such a programme inside Iran may use as arguments to convince more sceptical voices.

⁷² Ivan Arreguin-Toft, *How the Weak Win Wars. A Theory of Asymmetric Conflict*, Cambridge University Press, Cambridge, 2005.

3.2.3 *The option of coercive diplomacy revisited anno 2006*

If we carefully consider all factors that are necessary for coercive diplomacy to succeed, one could have already known in 2003 that it would have been extremely difficult to convince Iran. The underlying goal of the international community can be countered as being illegitimate. The demand to halt enrichment can be criticized as being disproportional. For different reasons, the threat is not (regarded as) credible. Iran was (and still is) highly motivated, and probably much more than most international actors, including the EU. In short, none of the factors, except one (namely credible time pressure), were conducive for effective coercive diplomacy. Last but not least, the international community did not offer Iran a substantial package of “carrots”, including some kind of security guarantees by the US. Critics may argue that also the latter may not have convinced Iran to give up its program. That may be. But unless one tries, one does not know it for sure. The consequences of the alternative road, however, can rather easily be predicted. Any further escalation in the direction of large-scale economic sanctions, let alone military action, will certainly be regarded as illegitimate, not only in Iran or in the Middle East (apart maybe from the Sunni elites), but in much of the rest of the world either. That may explain the new diplomatic initiative by the EU in the second week of September 2006.

It is hard not to conclude that the EU has taken the initiative in 2003 not aware of the difficulties. The political circumstances in 2003 may also have blinded the EU to a certain extent. First of all, since the Treaty of Maastricht (1991) and especially since the Summit of Saint-Malo (1998), the EU wanted to profile itself in the realm of foreign, security and even defence policy. Secondly, in the run-up of the Iraq crisis in 2002-2003, the EU was perceived as completely divided and without any influence. Thirdly, there was a consensus in the EU that it would not be that difficult to provide a more constructive alternative to major problems in the world than with the neo-conservative solutions envisaged in the US since the arrival of the Bush administration in 2001.⁷³ After the Iraq war, the EU really tried to counterbalance its former behaviour.⁷⁴ In 2003, for the first time ever, the EU member states had not only agreed to write a Security Strategy as well as a Non-proliferation Strategy. As already mentioned above, they also succeeded in agreeing and editing it in a couple months time. The decision to take on the fight with Iran was taken on the basis of the combination of a kind of euphoria,

⁷³ Judy Dempsey, ‘EU Foreign Ministers Agree WMD Policy’, in: *The Financial Times*, 17 June 2003, p.9.

⁷⁴ Interview EU officials.

rash and naive ambition in capitals like London, Paris and Berlin.⁷⁵ When also Libya in December 2003 agreed to halt its weapons of mass destruction programs, the EU was even more convinced that it was on the right track. In short, it seems that the EU has overestimated its own capabilities.

At the same time, and for partially the same reasons, the EU underestimated Iran's motivation and willingness to maintain its nuclear program. The EU did not know, and still does not know, very well what was going on inside the elite circles in Iran with respect to the nuclear weapons issue. In addition, the few decision-makers and EU officials involved were probably unaware of the theoretical difficulties of coercive diplomacy. A last criticism that can be made is that the European approach was probably too Eurocentric as well. The EU thought, and it still thinks, that it could easily convince or persuade Iran with "reasonable" arguments, and, if necessary, some "carrots and sticks". In this regard, the EU looks very much like the US. There seems to be a lack of empathy for feelings of prestige, respect and other non-quantifiable values that exist in other parts of the world.⁷⁶

Once the negotiations started, the EU had the additional problem of being the spokesman of the rest of the world, including the US, and sometimes Russia and China as well. To keep this alliance together was, and still is, a very difficult task.⁷⁷ The EU had to make too many compromises with the US, which complicated the negotiations with Iran. The best example is the November 2004 agreement when the US required that Iran would not be allowed any level of enrichment, while the Europeans would have preferred to be more flexible.

4. Conclusion

Most observers believe that Iran is trying to acquire nuclear weapons in secret, or at least is trying to build up the capabilities that are needed to build nuclear weapons. Since more than three years, the EU takes the lead in trying to convince Iran to give up its efforts to acquire a large-scale civilian nuclear program. It did not succeed. While the EU can in theory still convince Iran to give up the bulk of its nuclear program, the odds are that Iran will not concede. While Iran may suspend its enrichment programme for another (short) period, it is

⁷⁵ For a different view, see: Eileen Denza, 'Non-Proliferation of Nuclear Weapons: The European Union and Iran', in: *European Foreign Affairs Review*, vol.10, pp.289-311.

⁷⁶ For the role of anthropology in strategy, see: Ken Booth, *Strategy and Ethnocentrism*, Holmes and Meier, 1979.

⁷⁷ Interview EU officials.

unlikely that it will give up its right to enrich uranium. The most likely scenario therefore consists of “muddling through” until Iran reaches its technological objectives. The world will then have to get used to live with another nuclear weapon state in the Middle East. Some observers make already the case that the latter does not automatically correspond to a doom-scenario.⁷⁸ Another scenario is a military action – more likely by the US than by Israel – to prevent Iran to acquire the necessary technology, or at least to buy time. While most observers do regard it as the least likely scenario, it cannot be completely dismissed either, taking into account the nature of the current US administration. The argument, like that of US Senator McCain, goes that everything is better than a nuclear Iran.⁷⁹

The Iranian case supports the theoretical evidence that making threats do not always help. Coercive diplomacy in practice is more complicated than it seems. On the basis of our analysis, we come to the conclusion that the EU took the initiative in 2003 without having been fully aware of the fact that its efforts could also fail, and what the consequences of such a failure would be for the reputation of the EU.

On the other hand, the European efforts cannot be dismissed as having been a complete failure. The EU, first of all, took the lead. It even acted in accordance with the US, and tried to accommodate the wishes of Russia and China as well. It is very unlikely that any other regional power could have played this role. This certainly enhanced its prestige in the world. Secondly, the EU acted more or less united, which also enhanced its image in the rest of the world. Internally, a new kind of decision-making model saw the daylight with the EU-3 taking the lead, and Solana as the go-between between the EU-3 and the other EU member states.

On the other hand, the EU-3 also took a major gamble. The longer it takes to succeed, the more internal criticism within the EU will occur, as is already happening today. The longer it takes, the more chance that the EU-3 will try to blame the US for its lack of flexibility. In case the efforts totally fail, the EU will be blamed and its reputation will be further damaged.

To conclude, as the efforts are still going on, definite conclusions cannot be reached. The major lesson learned is that coercive diplomacy, as the theory shows, is not as easy as it seems, and that the EU seemed not completely be aware of the finesses of this “diplomatic” instrument.

⁷⁸ William Pfaff, ‘Iran’s Nukes Are a Non-Issue’, in: *International Herald Tribune*, 27 January 2006; Barry Posen, ‘We Can Live With a Nuclear Iran’, in: *The New York Times*, 27 February 2006.

⁷⁹ Quoted by Jackson Diehl, ‘Bush’s Choice on Iran’, *The Washington Post*, 30 January 2006.