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Humanitarian and Geopolitical Implications of Iran's Pursuit of Nuclear Capacity

A Negotial Approach

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Foreword

In the sphere of relations between the West and the Middle East, the Islamic Republic of Iran’s pursuit of nuclear capacity has always had an important position. The balance in the Middle East is extremely delicate, and both Western governments and international organizations have not always shown the sufficient capability to deal with such a complex and in many aspects still unpredictable system.

From an historical point of view, it can be argued that Western countries ever since have tried to spread their influence in Iran. There are two reasons that justify this enormous interest. Firstly, Iran has a remarkable geopolitical position. Iran is at the crossroads between Asia and the Middle East, it has access to the Caspian Sea and the Persian Gulf, and is protected by the Strait of Hormutz, whose strategic role is undisputed. Secondly, Western countries, such as the United States of America, France, Germany and the United Kingdom, have always shown a strong interest toward Iranian huge oil resources. Moreover, this interest has increased in the last few years, because of the global economic effects connected to oil management.

In the first chapter a necessary historical background will be provided, in order to find out the roots of the lack of dialogue and to define the distance between the Islamic Republic and the rest of the world. Of course, the analysis will not only involve the United States and Iran, but also European countries, who are capable of orientating International organization such as the United Nations and the International Atomic Energy Agency, by playing a key role.

Although the Western interest is strong, it has often been in conflict with the Iranian perception of foreign presence. On one hand, Western countries have tried to establish their presence in Iran and across its borders, but on the other hand, Iran has shown a growing diffidence toward the Western approach. This diffidence became reciprocal, and is now made
of strong mistrust. Longstanding issues and misunderstandings afflict reciprocal perceptions, and the cover of a positive path, although desirable, is not easy.

The second chapter aims at defining the geopolitical consequences of Iranian nuclear capacity, both from a domestic and a regional point of view.

As far as the consequences of these developments are concerned, the third and the fourth chapters will provide some possible scenarios.

It is commonly known that there are enormous interests at stake, and that the relationship between Iran and the rest of the world is based both on a flexible sequence of possible options and a rigid unavailability toward concessions. From a diplomatic point of view, the agents of the two sides have for a very long time demonstrated their ability to drag on the matter, avoiding serious openings that can represent a true intention to solve their problems. The situation is made more difficult by the action of the United States in Iraq and Afghanistan. Iran perceives its position as weak, because of this continuous surrounding, and is very suspicious of foreign moves. However, no pressure can be exerted on Iran, without causing enormous imbalances in the hydrocarbons’ world market and consequently perturbing practically all economies in the world.

The war in Iraq has shown a limit in Western approach toward the Middle East. Along with the difficult management of the Israeli-Palestinian conflict, the situation in Lebanon, and the search for terrorists in Afghanistan, Iraq has shown that the Western power cannot control everything, at least, not in such a way. Iran, today, seems a country that cannot be challenged. It is, probably, the sole country in the Middle East that will not surrender to threats or sanctions. The starting point, this time, is a stalemate.

Two options are still on the table. The first one is due to the fact that the international situation will degenerate, and some great power, as the United States of America, will declare
war on the Islamic Republic of Iran. This is extremely dangerous both from a military and humanitarian point of view. In the third chapter this features will be broadened, and it will be shown how, in the end, none of the military options will give to any player any successful outcome. Particular stress will be given to the effects of air strikes in the main urban areas in Iran, and it will be underlined how the population will suffer from actions addressed toward military sites.

The second is far more difficult, and consists in a rapid and successful diplomatic opening that can lead to an effective negotiation. The fourth chapter goes beyond the rigid positions of the two sides, and analyzes their underlying interests, demonstrating how the negotiations so far have been unsuitable, and how a different negotiation scheme can be applied.

It seems that new balances are going to emerge, and that a new and different approach will be required. The current President of the United States of America, Barack Hussein Obama, has recently promised a change, as a keystone of his entire political program, also involving improvement in the dialogue with the Middle East. On the opposite, Iranian leadership might change in the next presidential elections, to be held in June 2009, and whether the international situation will improve is highly unpredictable.
Chapter 1: Historical Background

1.1 1953–1979 When the Nuclear Became a Political Issue

The beginning of Iran's pursuit of nuclear capacity dates back to 1953, when, after a joint Anglo-American operation, code-named Operation Ajax, Prime Minister Mohammed Mossadeq was overthrown and the Shah Mohammad Reza Pahlavi came to power.

The cooperation between Iran and the US lasted until 1979. This important cooperation was based on civil nuclear projects, within the programme called Atoms for Peace.

Atoms for Peace, 1953

Atoms for Peace was the title of a speech delivered by the President of the United States Dwight D. Eisenhower on the occasion of a UN General Assembly session held in 1953. The United States launched the Atoms for Peace program, aimed at diffusing information and supplying equipment to schools, hospitals, and research institutions within the US and throughout the world including Iran. The programme's task was to direct international attention to the peaceful use of atomic energy, a matter to which the world was highly sensitive during that phase of the Cold War.

The UN Charter was taken as a point of reference. President Dwight D. Eisenhower called attention to values of universal peace and human dignity, and placed emphasis upon the US's grave responsibility for its nuclear actions in the past, in the present and in the future.

Thanks to the American support, important Iranian organizations and research centers were set up.
For example, in 1967, the Teheran Nuclear Research Center (TNRC) was established. After 1974 the TNRC was run by the Atomic Energy Organization of Iran (AEOI), the main Iranian official body responsible for implementing regulations and operating nuclear energy facilities. Iran was immediately endowed with a nuclear research reactor, supplied by the United States, fueled by highly enriched uranium.

Perhaps more important from the international law viewpoint, and for the scope of this thesis, mostly for the important consequences it has been having in the last few years, is the Nuclear Non-Proliferation Treaty (NPT) signed by the Islamic Republic in 1968 and ratified in 1970.

The Non Proliferation Treaty, 1970

Iran acceded to the Non Proliferation Treaty (hereinafter NPT) as a non nuclear country in 1968, when the treaty was opened to signature. Iran ratified it in 1970, the year that the treaty entered into force.

The treaty is based on three main pillars that are Non Proliferation, Disarmament and The Right to Peaceful Use of Nuclear Technology. The first two pillars concern Nuclear Weapon States. The third pillar, instead, is the most important to the Iranian current position. The Right to Peaceful Use of Nuclear Technology is represented by article IV stating that:

1. "Nothing in this Treaty shall be interpreted as affecting the inalienable right of all the Parties to the Treaty to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in conformity with articles I and II of this Treaty.

2. All the Parties to the Treaty undertake to facilitate, and have the right to participate in, the fullest possible exchange of equipment, materials and scientific and technological information for the peaceful uses of nuclear energy. Parties to the Treaty in a position to do so shall also cooperate in contributing alone or together with other States or international organizations to
the further development of the applications of nuclear energy for peaceful purposes, especially in the territories of non-nuclear-weapon States Party to the Treaty, with due consideration for the needs of the developing areas of the world."

The third pillar of the NPT allows any Member State to use nuclear fuel, but wants to make it difficult to develop nuclear weapons, because countries endowed with nuclear weapons and/or using nuclear reactors for energy generation are not willing to completely abandon possession of nuclear fuel. Moreover, the transfer of nuclear technology and materials to NPT signatory countries for the development of civilian nuclear energy programs is allowed, on condition that beneficiaries demonstrate that their nuclear programs are not being aimed at the development of nuclear weapons.

As the light water reactor for civil use is fueled with enriched uranium, States must be able either to enrich uranium or purchase it on an international market, but, at the same time, the capability of enriching uranium endows countries to produce fissile material for building nuclear weapons. The balance between the right to access to enriched uranium technology and its potentially diversion to proliferation, therefore, is the heart of political and legal debates. In conclusion, the treaty recognizes the inalienable right of sovereign States to use nuclear energy for peaceful purposes, but this right must be exerted in conformity with the first pillar (Articles I, II, and III) of the Treaty.

As far as Iran is concerned, the Iranian nuclear programme is a long lasting issue that has been controversial, for a long time. On the one hand, as above mentioned, the development of a civilian nuclear power program is allowed under the principles of the NPT article IV, but on the other hand, there have always been allegations that Iran has been pursuing a secret nuclear weapons program, thus violating the treaty.
Once the Iran's atomic agency and the NPT became operational, the Shah approved plans to construct, with American help, up to 23 nuclear power stations by the year 2000.

As the relationship with the United States was productive, Iran was eased in improving its concerns with Europe. In 1973 a European joint stock company called Eurodif, the European Gaseous Diffusion Uranium Enrichment Consortium, formed by France, Belgium, Spain and Sweden started to aid Iran.

After the first oil crisis of 1973, in 1974 Mohammad Reza Shah Pahlavi declared his intention to start oil substitution and to produce electricity by using nuclear plants. The Bushehr reactor would be the first plant, and would supply energy, in particular, to the city of Shiraz. The Bushehr Nuclear Power Plant was built in cooperation with Russia, but involved also German collaboration since 1975, in particular the Kraftwerk Union, the joint venture of Siemens AG and AEG Telefunken. The original project scheduled two nuclear reactors.

Furthermore, in 1975, when the Iranian - French cooperation started with the establishment of the Esfahan Nuclear Technology Center (ENTC) Iran began its nuclear research.

The following year President Gerald Ford offered Teheran the chance to buy and operate a US built reprocessing facility for extracting plutonium from nuclear reactor fuel, as to cover a complete nuclear fuel cycle.

After these agreements, a sound civil nuclear cooperation between Iran and the US was established, and both American and European Companies increased their investments in Iran. Although the Shah made clear many times that Iran's nuclear programme was only for peaceful and civil purposes, some doubts emerged that the real Iranian purpose was to achieve nuclear weapons capability. It can be argued that Western intelligence suspects concerning Iranian military research date back to the 1970s, when some declarations of the Shah made reference to the possibility of achieving nuclear weapons in a short time.
At the same time the Shah balanced his intentions with other plans, such as the idea of making the whole Middle East a nuclear weapons-free zone (MENWFZ).

1.2 1979, the Year of the Change

The 1979 Revolution marked a negative turn in relations between the Islamic Republic and all countries involved in the ongoing civil nuclear cooperation. One of the ideals of Revolution, promoted by Ayatollah Sayyid Ruhollah Musavi Khomeini, was the achievement of national integrity by substituting westernization with self reliance. This included also the field of nuclear energy.

According to a contract signed before the revolution, the United States had to provide new fuel and upgrade power in change of money. As the situation changed, with the riots of the Khomeini revolution, the US delivered neither the fuel nor returned the received payment.

As far as the relations with the European countries are concerned, it must be said that the 1979 Revolution did not bring positive results. France, for example, that was endowed of the nuclear weapon since 1963, and that had developed it by itself, refused to supply the Islamic Republic with any enriched uranium after 1979, whilst Iran's government suspended its payments and attempted to obtain a refund for the previous loans.

As far as Germany is concerned, Kraftwerk Union, the joint venture of Siemens AG and AEG Telefunken who had signed a contract with Iran in 1975, stopped Bushehr nuclear project works in January 1979 and finally fully withdrew in July 1979. The reason was Iran's non-payment of 450 million dollars in overdue payments, and when Iran requested Siemens to finish construction, Siemens declined. It can be argued that the main reason of the breach of the contracts was the Revolution, whose main consequences were a slowing down in the economy, and the rapid worsening of relations.
After the 1979 Revolution, applying the principle of self reliance, the Islamic Republic of Iran informed the International Atomic Energy Agency (IAEA) of its plans to restart its nuclear program using nuclear fuel made in Iran.

1.3 The Iran–Iraq War, 1980-1988

The Iran–Iraq War was the definitive obstacle that hindered any further collaboration. Shortly after the revolution, Iraq invaded Iran and the Iranian nuclear programme was stopped until the end of the war. The war was the reason for the definitive block of any project. Moreover, existing facilities, such as the Bushehr reactors, were damaged by multiple Iraqi air strikes between 1984 and 1988.

In 1982, the French President François Mitterrand, refused to give any uranium to Iran, but in 1983 the IAEA planned to provide assistance to the Islamic Republic of Iran to produce enriched uranium. For this scope, in fact, IAEA had developed a Technical Assistance Program in order to contribute to the formation of local expertise and manpower to sustain a program in the field of nuclear power reactor technology and fuel cycle technology. However, although the international organization was opened to dialogue with Iran, the United States pressures on the IAEA caused the end of the project.

After the end of the war, in the early 1990s, Iran began to search for new partners in order to restore its nuclear program, but, because of the severe political climate and the hard political line of the US policy, further cooperation remained an illusion.

The Irangate

During the Iran–Iraq war the Reagan administration was involved in a political scandal revealed in 1986. The scandal was called Irangate, or Iran–Contra Affair, and consisted in an agreement concerning the exchange of arms for American prisoners with the Islamic Republic
of Iran and funding for the Nicaraguan Contras. In the beginning it had to be a simple operation to improve US-Iranian relations, but, in the end, the plan became a secret negotiation on illegal arms sale to Iran in exchange for the release of the hostages.

According to the agreement, Israel would ship weapons to a politically influential group of Iranians opposed to the Ayatollah Khomeini, and the US would resupply Israel and receive the Israeli payment. The Iranian partners promised to work for the release of six US hostages, held in Lebanon by the Shia Islamist group Hezbollah. The US government used the profits to supply right-wing Contra guerrillas in Nicaragua with arms. Funding of the Nicaraguan rebels was in violation of the law, in particular the Boland amendment, which prohibited the sale of US weapons for resale to a third country listed as terrorist.

Once the illegal weapon sales were traced in November 1986, President Reagan denied that the United States traded arms for hostages, albeit the weapons were effectively sold. The following year President Reagan declared to be full responsible for any actions that he was unaware of, admitting the following: "First, let me say I take full responsibility for my own actions and for those of my administration... A few months ago I told the American people I did not trade arms for hostages. My heart and my best intentions still tell me that's true, but the facts and the evidence tell me it is not. As the Tower board reported, what began as a strategic opening to Iran deteriorated, in its implementation, into trading arms for hostages. This runs counter to my own beliefs, to administration policy, and to the original strategy we had in mind. There are reasons why it happened, but no excuses. It was a mistake. I undertook the original Iran initiative in order to develop relations with those who might assume leadership in a post-Khomeini government. It's clear from the Board's report, however, that I let my personal concern for the hostages spill over into the geopolitical strategy of reaching
out to Iran. I asked so many questions about the hostages welfare that I didn’t ask enough about the specifics of the total Iran plan.”

The investigations that took place, including the Tower Commission’s, could not find any evidence that President Reagan knew of the extent of the maneuver. The investigations, however, demonstrated that eleven officials were convicted, including the Secretary of Defense Caspar Weinberger.

1.4 The 1990s

The international situation and the isolation caused by the aftermaths of war pushed the Islamic Republic of Iran toward cooperation with Russia. Since the early 1990s, the Russian Federation set up a joint research organization with the Islamic Republic of Iran, called Persepolis. Thanks to this cooperation Iran could benefit from Russian nuclear experts, and technical information. Teheran was helped in improving its missiles by Russian institutions, such as the Russian Federal Space Agency, the government agency responsible for the Russian space science programme and aerospace research.

In 1992 cooperation between Iran and IAEA was restored. The Islamic Republic invited IAEA inspectors and allowed inspections to all the sites and facilities required to be screened. In that period, and long since, undeclared nuclear activities in Iran were already suspected to be ongoing. The outcome of the inspections was that screened activities were declared to be consistent with the peaceful use of atomic energy, a result that has not changed so far. The IAEA visits included undeclared facilities and Iran’s nascent uranium mining project at Saghand.

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1 REAGAN, R. “Address to the Nation on the Iran Arms and Contra Aid Controversy, March 4, 1987”, Online Posting, Ronald Reagan Presidential Library, 1 April 2009

<http://www.reagan.utexas.edu/archives/speeches/1987/030487h.htm>
In that period the US continued to exert indirect pressure, for example by promoting Iranian isolation. The US managed to interrupt a sale of civilian Argentinean nuclear equipment to Iran in 1992.

Consequently, Iran tightened its relationship with Russia, and the two countries signed a contract in 1995 to resume work on the Bushehr plant, whose construction was still partial. Russia signed a contract to supply a light water reactor for the plant. The US suspected that Iran could reprocess the spent fuel rods and obtain plutonium for atomic bombs, although the agreement provided for rods to be rendered to Russia for reprocessing.

An American law, the Iran Libya Sanction Act of 1996, (ILSA) targeted American and non-American companies that invested a minimum of 40 million dollars in the Iranian oil and gas sector. The act was aimed at impeding these countries to gain revenues that could finance terrorism and weapons of mass destruction.

As far as the last decade is concerned, the most important feature in the pursue of Iranian nuclear energy is the relation among the Islamic Republic on one side, and the IAEA and the Western countries, in particular the US, on the other. Understanding the way Iran has interpreted the messages and the requests made by other players, especially international organizations, is crucial to observe how this long lasting issue has been faced. It can be argued that the two sides have been talking at cross purposes since 1979, and it is not surprising that no progress has been made in the last few years. Moreover, the intervention of the United Nations, even though Russia and China have mitigated the general feeling of the International Community toward Iran, has worsened the situation, mostly because of the sanctions and, on the other hand, the weight assigned to the aggressive speeches held by President Ahmadinejad.
1.5 2000 – 2006: Many Attempts and an Empty Box

In 2002, the dissident group National Council of Resistance of Iran, revealed the existence of two nuclear sites under construction: a uranium enrichment facility in Natanz (part of which is underground), and a heavy water facility in Arak. Probably these facilities were not unknown to intelligence agencies. The reaction of IAEA consisted in an immediate request of access to these facilities and further information and cooperation from Iran regarding its nuclear program. According to arrangements in force at the time for implementation of Iran’s safeguards agreement with the IAEA, Iran was not required to allow IAEA inspections of new nuclear facilities during the six months preceding the introduction of nuclear material into that facility. Furthermore, Iran was not even required to inform the IAEA of the existence of the facility. It was only after 1992 that facilities had to be reported during the planning phase, which is before construction was initiated.

Iran was therefore obliged to inform the IAEA of its importation of uranium from China and subsequent use of that material in uranium conversion and enrichment activities and also to report to the IAEA experiments involving separation of plutonium.

As far as the issue of whether Iran had a hidden nuclear weapons program, the IAEA reported in November 2003 that it found no evidence that the previously undeclared activities were linked to a nuclear weapons program. Nevertheless, it specified that it was unable to conclude that Iran’s nuclear program was exclusively peaceful, because Iran had repeatedly and over an extended period failed to meet with its safeguards obligations, including declaring its uranium enrichment program. It must be considered, however, that the absence of undeclared nuclear activities is not sufficient to argue that a nuclear weapons program is undertaken.
The International Atomic Energy Agency Reports

The IAEA was established in 1957 as a specialized agency of the United Nations to help nations develop nuclear energy for peaceful purposes.

The IAEA makes use of regular inspections of civil nuclear facilities to verify the adherence of its supplied documentation. The agency checks inventories, and samples and analyzes materials. Safeguards are designed to deter diversion of nuclear material. The main concern of the IAEA is possible uranium enrichment beyond what is necessary for commercial civil use, and plutonium refined into a form that would be suitable for weapons production.

IAEA also avails itself of traditional safeguards, which are arrangements to check and control the use of nuclear materials. In this delicate feature, the NPT and IAEA are connected, because all parties to the NPT agree to accept IAEA technical safeguard measures.

Under Safeguard measures, all movements and transactions involving nuclear material must be declared in detail. This verification is the key element in the international system which ensures that nuclear energy is used only for peaceful purposes.

Under Safeguard measures IAEA inspectors detect any possible diversion of nuclear material from peaceful activities by tracking all transfers of materials in any nuclear facility and making on-site inspections.

However, the NPT regime presents two weaknesses. Firstly, the terms of the NPT cannot be enforced by the IAEA itself, nor can nations be forced to sign the treaty. Secondly, facility in a country can elude controls and not be checked, if not declared or placed under safeguards. Therefore, weapon related activities might be unknown because not declared, and prohibited activities might be carried out in secret sites.
The IAEA regularly issues official reports concerning the position of Member States. Some of these reports, concerning the Islamic Republic of Iran, are relative to the scope of this thesis, especially because they were issued in the last few years, and will be introduced later on.

**The 2003 Additional Protocol**

In 2003 the EU-3 (France, Germany and the United Kingdom) undertook a diplomatic initiative with Iran to resolve questions about its nuclear program. The EU-3 explicitly agreed to recognize Iran's nuclear rights and to find ways Iran could provide satisfactory assurances concerning its nuclear power program, and access to modern technology.

At the Teheran Summit, the Iranian government and the EU-3 Foreign Ministers issued a statement in which Iran agreed to cooperate with the IAEA, to sign and implement an Additional Protocol to the Non Proliferation Treaty as a voluntary, confidence-building measure, and to suspend its enrichment and reprocessing activities during the course of the negotiations. The EU-3 explicitly agreed to recognize Iran's nuclear rights and to find ways Iran could provide satisfactory assurances concerning its nuclear power program, and access to modern technology.

The model protocol was agreed by the IAEA Board of Governors in 1997 and was signed by Iran in December 2003. It is a legal document granting the IAEA complementary inspection authority to that provided in underlying IAEA safeguards agreements to strengthen and extend the classical safeguards system.

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2 E3/EU is Great Britain, France, and Germany plus the High Representative for the EU’s Common Security and Foreign Policy, Javier Solana.

E3+3 is Great Britain, France, and Germany plus Russia, China and the US.

P5+1 is the same as E3+3, however it underscores the role of the five permanent members of the UNSC (P5) plus Germany.
Safeguards are activities by which the IAEA can verify that a State complies with its international commitments not to use nuclear programmes for nuclear-weapons purposes. They are based on assessments of the correctness and completeness of a State's declared nuclear material and nuclear-related activities. Verification measures include on-site inspections, visits, and ongoing monitoring and evaluation.

A principal aim of the Additional Protocol is to enable the IAEA inspectors to provide assurance about both declared and possible undeclared activities. Under the Protocol, the IAEA rights of access to information and sites are expanded.

Therefore, two sets of measures are carried out in accordance with the type of safeguards agreements in force with a State.

One set is implemented on the basis of IAEA’s existing legal authority through safeguards agreements and inspections. IAEA can verify State reports of declared nuclear material and activities.

The second set of measures includes provisions introduced by the Additional Protocol. It strengthens the IAEA's inspection capability to detect undeclared nuclear activities, including activities with no connection to the civil fuel cycle.

Specifically, some of the innovations brought in by the Additional Protocol are more information to be given to IAEA on nuclear and nuclear-related activities, and greater rights of access, including access to any suspect location, even at short notice (in the order of hours).

Moreover, further evolution of safeguards is towards evaluation of each state, taking account of its particular situation and the kind of nuclear materials it has. This will involve greater judgment on the part of IAEA and the development of effective methodologies which reassure NPT States.
The Additional Protocol, once it is widely in force, enables the IAEA not only to verify the non-diversion of declared nuclear material but also to provide credible assurance that there are no undeclared nuclear materials or activities in the states concerned.

Although ratification was pending, Iran agreed to act as if the protocol was in force, providing the IAEA with the required reports and allowing IAEA inspectors to accede to facilities. Currently, however, the Islamic Republic of Iran has not yet ratified the Protocol.

Although an opening was seen, the IAEA reported that Iran had failed to meet its obligations to report some of its enrichment activities to the IAEA as required by its safeguards agreement. The IAEA reported that "it is clear that Iran has failed in a number of instances over an extended period of time to meet its obligations under its Safeguards Agreement with respect to the reporting of nuclear material and its processing and use, as well as the declaration of facilities where such material has been processed and stored." The IAEA further reported that Iran had undertaken to submit the required information for agency verification and "to implement a policy of cooperation and full transparency" as corrective actions. Iran attributed its failure to report certain activities to US obstructionism.

Iran informed in 2003 that construction of a heavy water reactor in Arak would begin in June 2004. If fully operational, this reactor might produce enough plutonium to build two nuclear weapons, but Iran declared that the reactor would only be used for civil purposes. The IAEA Board of Governors deferred a formal decision on Iran’s nuclear case twice. The first time for

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two years after 2003, until September 2005 in order to encourage Iran to cooperate with the EU-3 diplomatic initiative.

**The 2004 Bush Administration Non-Proliferation Initiative**

In February 2004, President George W. Bush proposed several new measures aimed at fighting against the proliferation of weapons of mass destruction. Recovering the opinion of some American experts, according to whom the fuel cycle technology can be used to produce fissile material for nuclear weapons, President Bush stated that new restrictions shall be imposed as to stem the spread of enrichment and reprocessing technology (ENR) to additional countries. Moreover, nuclear technology suppliers shall refuse to provide such technologies to any country that is not already in possession of full-scale, operating enrichment or reprocessing facilities. Furthermore, according to President Bush’s proposal, suppliers shall ensure reliable access to nuclear fuel for countries that renounce enrichment or reprocessing, as an incentive for countries not to acquire such technologies.

**The 2004 Paris Agreement**

Under the terms of the Paris Agreement, on November 2004, after reaffirming its commitments proclaimed in the Teheran Agreed Statement of October 2003, Iran announced a voluntary and temporary suspension of its uranium enrichment program and the voluntary implementation of the Additional Protocol, after pressure from the EU-3 (United Kingdom, France, and Germany). It must be reminded that uranium enrichment is not a violation of the NPT. Therefore this opening should be appreciated as an effort of distension to consider as a confidence-building measure. Iran has never declared that the stop to uranium enrichment had to be seen as permanent, but that it would last for a sufficient period of time, as to cover negotiations with the EU-3. Moreover, Iran declared that negotiation would be interrupted if
the EU-3 sought the termination of Iran’s nuclear fuel cycle activities. The EU-3 consented to this opening, answering that the scope of the collaboration was the assurance that military ends were not the scope of Iranian nuclear programme.

The IAEA report of November 2004 stated that the Agency was able to conclude that all declared nuclear materials had been accounted for and that there was no evidence that Iran diverted nuclear material for military use, but adding that “the Agency is, however, not yet in a position to conclude that there are no undeclared nuclear materials or activities in Iran.”

Therefore, Iran was in compliance with its undertaking, under its safeguards agreement and Article III of the NPT. The September 2005 report presented the same outcome, stating that no nuclear material had been diverted to military purposes.

Although Iran’s announcement that enrichment would be resumed preceded the Presidential elections by several months, the recovery of the program started with the election of President Ahmadinejad in August 2005. Some days later Ayatollah Ali Khamenei, on the other hand, promulgated a fatwa, a religious opinion issued by an Islamic scholar, released in an official statement at the meeting of the IAEA in Vienna, forbidding the production, stockpiling and use of nuclear weapons.


5 IAEA, “Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran”, Online Posting, 2 September 2005, 10 February 2009 <http://www.iaea.org/Publications/Documents/Board/2005/gov2005-77.pdf> p. 12 “As indicated to the Board in November 2004, all the declared nuclear material in Iran has been accounted for, and therefore such material is not diverted to prohibited activities. The Agency is, however, still not in a position to conclude that there are no undeclared nuclear materials or activities in Iran.”
The EU-3 2005 Package

In early August 2005 Iran opened to inspectors the Isfahan uranium enrichment equipment. A few days later, the EU-3 offered Iran a package in exchange for permanent cessation of enrichment that included various economic and technological benefits.

The EU-3 2005 package offered a guaranteed supply of fuel for Iran’s civilian reactors, that had to remain under the IAEA supervision; an agreement for European companies to build a nuclear power station under IAEA inspections, trade incentives (including membership in the World Trade Organization) and economic cooperation; support in terms of "security cooperation" on energy matters, Iraq and Afghanistan, as well as the fight against terrorism and drug trafficking.

Iran’s atomic energy organization rejected the offer, considering it very insulting and humiliating. Some European diplomats stated that the package was “an empty box of chocolates, a lot of gift wrapping around a pretty empty box”\(^6\). The diplomat admitted that Europe could not offer more, because of the American obstructionism.

However, Iran voluntarily implemented the 2003 Additional Protocol and the IAEA certified in January 2006 that "Iran has continued to facilitate access under its Safeguards Agreement as requested by the Agency, and to act as if the Additional Protocol is in force, including by providing in a timely manner the requisite declarations and access to locations.”\(^7\)


\(^7\) IAEA, “The Islamic Republic of Iran and Agency Verification of Iran’s Suspension of Enrichment-related and Reprocessing Activities”, p.1, Online Posting, 31 January 2006, Update Brief by the Deputy Director General for Safeguards, 10 February 2009 <http://www.iaea.org/NewsCenter/Statements/DDGs/2006/heinonen31012006.pdf>
The IAEA Board of Governors deferred a formal decision on Iran's nuclear case for the second time for further five months, until February 2006. Finally, after about two years of diplomatic efforts and Iran temporary suspension of its enrichment program, the IAEA Board of Governors, acting under Article XII.C of the IAEA Statute, voted a non-consensus decision with 12 abstentions, stating that these failures constituted non-compliance with the IAEA safeguards agreement, even though the IAEA had concluded that there was no diversion of fissile material to military use.

In the decision, the IAEA Board of Governors also concluded that the concerns raised fell within the competence of the UN Security Council.

The formal report was submitted to the UN Security Council, as required by Article XII.C of the IAEA Statute, according to which “The inspectors shall report any non-compliance to the Director General who shall thereupon transmit the report to the Board of Governors. The Board shall call upon the recipient State or States to remedy forthwith any non-compliance which it finds to have occurred. The Board shall report the non-compliance to all members and to the Security Council and General Assembly of the United Nations”.

In February 2006, the 35 member Board of Governors of the IAEA voted to report Iran to the UN Security Council.

The measure was sponsored by the United Kingdom, France and Germany, and it was backed by the United States, that concluded on that Iran violated its Article III NPT safeguards obligations, and that Iran’s enrichment program was for weapons purposes and therefore violated Iran’s Article II non-proliferation obligations. Russia and China, following a softer line, agreed to referral only on condition that the council took no action before March.
Formally the IAEA Board of Governors decisions concern compliance with safeguards agreements, rather than the NPT as such, but in practical terms non-compliance with a safeguards agreement constitutes non-compliance with the NPT itself.

In late February 2006, IAEA Director General Mohammad El-Baradei proposed a deal, whereby Iran would pass from an industrial-scale to a small-scale enrichment, importing its nuclear fuel from Russia. One more time, as there was the Iranian right to enrichment at stake, Iran considered the compromise solution, but in March 2006 the Bush Administration made an opposition against any enrichment.

On April 2006, Iranian President Mahmud Ahmadinejad announced that Iran had successfully enriched uranium and that Iran joined the group of those countries which have nuclear technology. In reply, the following day the US Secretary of State Condoleezza Rice said the Security Council had to consider strong steps to induce Teheran to change course in its nuclear ambition, and President Ahmadinejad answered that Iran would not arrest uranium enrichment and that the world had to treat Iran as a nuclear power, menacing to refuse any talks about the right of the Iranian nation to enrich uranium.

**The 2006 Global Nuclear Energy Partnership**

A cooperation project that had similar aims to the Bush initiative is the Global Nuclear Energy Partnership. The Global Nuclear Energy Partnership began when the US in 2006 proposed to form an international partnership aimed at promoting the use of nuclear power reducing nuclear waste and the risk of nuclear proliferation in the nuclear fuel cycle. This proposal would divide the world into two categories. Fuel supplier nations, that are allowed to supply enriched uranium fuel and take back spent fuel, and user nations, which operate nuclear power plants.
The Global Nuclear Energy Partnership wanted to offer reliable nuclear fuel services as a viable alternative to the acquisition of sensitive fuel cycle technologies. Iran was offered nuclear fuel supply guarantees in exchange for suspension of enrichment related and reprocessing activities. According to the US point of view, the successful implementation of the agreement would be decisive to recover international confidence.

1.6 2006 – 2008: The UN Intervention and the IAEA Reports

The P5+1 2006 Package

In June 2006, the five permanent Security Council members plus Germany (P5+1) offered Iran a package of economic incentives including transfer of technology in the civilian nuclear field, in exchange for Iran to renounce permanently its disputed uranium enrichment programme. Iran did not accept this offer reaffirming that its inalienable right to enrich uranium for peaceful purposes weights more than any similar offer, especially if not satisfactory. To justify its position, this time Iran also referred to previous agreements concluded between the Shah and the West regarding Eurodif and Bushehr and to agreements between the West and other countries like North Korea or Libya, where similar proposals were accepted but the object of the deal had not been executed. What emerged was a lack of confidence between the main actors of the negotiation, supported by a sour perception of the past.
The United Nations Security Council Resolutions

It was the IAEA April 2006 Report that opened the way for the UN Security Council sanctions against Iran. The Report stated that the Agency was “unable to make progress in its efforts to provide assurance about the absence of undeclared nuclear material and activities in Iran.”

The UN Security Council Resolution 1696 of 2006

The following step occurred in July 2006, when, under the United States’ pressure, the UN Security Council Resolution 1696 was adopted. The resolution, proposed by China, France, Germany, the Russian Federation, the United Kingdom and the United States demanded that Iran stopped "all enrichment related and reprocessing activities", and was passed by fourteen votes in favour to one against.

A month later, an IAEA report indicated that there were no indications of ongoing reprocessing activities in Iran and that the qualitative and quantitative development of Iran's enrichment programme was still limited.

In August 2006, Iran responded to the demand to stop enrichment of uranium offering to return to the negotiation table but refusing to end enrichment.

The UN Security Council Resolution 1737 of 2006

Iran insisted on the fact that enrichment was exclusively for peaceful purposes, but Western countries maintained their line and in August 2006 the deadline for Iran to comply with UN Resolution 1696 by ending its nuclear activities expired.


President George W. Bush insisted in August 2006 that consequences were necessary, because Iran’s defiance of demands to stop enriching uranium represented a serious threat, and sanctions had to begin immediately. Moreover, the US President kept on accusing the Iranian regime to arm, fund, and advise Hezbollah. The IAEA Director General El Baradei criticized Iran for continued attempts at uranium enrichment adding that Iran had not provided the necessary transparency to remove uncertainties associated with some of its activities.

Iran’s refusal to suspend enrichment as requested by the Resolution 1696 led to Resolution 1737 of December 2006, in which sanctions were applied. One more time, the (P5+1), previously offered Iran a package of incentives aimed at pushing the country to restart negotiations. The fact that Iran halted its nuclear activities was still a precondition to restarting talks. Incentives also included offers to improve Iran’s access to the international economy through participation in groups such as the World Trade Organization and proposals to modernize its telecommunications industry. Again, in that occasion, the P5+1 proposal met Iran’s refusal.

As a consequence, on 23 December 2006 the United Nations Security Council unanimously adopted Resolution 1737 and applied measures to persuade Iran to comply with resolution 1696 and with the requirements of the IAEA. The resolution, under Article 41 of Chapter VII of the Charter of the United Nations, sponsored by France, Germany and the United Kingdom, imposed sanctions primarily targeted against the transfer of nuclear and ballistic missile technologies. China and Russia pushed for lighter sanctions than those proposed by the United States.
The UN Security Council Resolution 1747 of 2007

As Iran refused to suspend enrichment as requested by the United Nations Security Council with Resolution 1737, sanctions were subsequently raised by Resolution 1747.

On March 24, 2007 Resolution 1747 was unanimously adopted the United Nations Security Council in order to tighten the sanctions imposed on Iran, including the prohibition of the sale of Iranian weapons to other countries and the block of the overseas assets of more Iranian individuals and organizations.

The United States failed to get any support for military attacks on Iran to enforce the sanctions, even though France’s foreign minister Bernard Kouchner warned that the international community had to be prepared for the possibility of war in the event that Iran obtained atomic weapons. He menaced European sanctions outside the aegis of the United Nations, but he did not clearly specify the kind of sanctions.

Meanwhile, Iran made progress in the nuclear field, and, on April 2007 announced that it had begun enriching uranium with 3000 centrifuges, presumably at Natanz, and therefore could produce nuclear fuel on an industrial scale. In the same manner, IAEA investigation continued in important sites like the Arak complex and other plants.

Influent persons, like US Undersecretary of State Nicholas Burns, asked for support from US allies, in order to push the UN Security Council to vote a third resolution once again carrying more sanctions against Iran, and one more time Iran answered that suspending large-scale enrichment for 2 years was a possible option, but the complete abandon of enrichment was not.

The August 2007 IAEA Report

The August 2007 IAEA report introduced a temporary change in the perception of Iranian position. As no evidence of nuclear weapons could be provided, the international Community
adopted a softer approach towards the matter. The report states that the IAEA had "been able to verify the non-diversion of the declared nuclear materials at the enrichment facilities in Iran and has therefore concluded that it remains in peaceful use,"9 and that longstanding issues regarding plutonium experiments and enriched uranium contamination on spent fuel containers were considered resolved. Mohammed El Baradei, the Director General of the IAEA, after the outcome of the inspections, defined its position and left the United States in a state of isolation. Moreover, he expressed its concern on the illegitimate behavior of those countries who try to apply on Iran the same instruments, probably making the same mistakes that were applied on Iraq.

However, the report adds that "the Agency remains unable to verify certain aspects relevant to the scope and nature of Iran’s nuclear program. It should be noted that since early 2006, the Agency has not received the type of information that Iran had previously been providing, including pursuant to the [unratified] Additional Protocol, for example information relevant to ongoing advanced centrifuge research."10

The report also outlines a work plan agreed by Iran and the IAEA in August 2007. The work plan reflects agreement on "modalities for resolving the remaining safeguards implementation issues, including the long outstanding issues." According to the plan, these modalities "cover all remaining issues and the Agency confirmed that there are no other remaining issues and ambiguities regarding Iran’s past nuclear program and activities." The


IAEA report describes the work plan as "a significant step forward," but adds "the Agency considers it essential that Iran adheres to the time line defined therein and implements all the necessary safeguards and transparency measures, including the measures provided for in the Additional Protocol." 11

Furthermore, in October 2007 El Baradei stated that he had seen no evidence of Iran developing nuclear weapons. He said that IAEA was in possession of information concerning some studies about possible weaponization, but there was no evidence that Iran detained the nuclear material that could be used for weapons. Furthermore, no active weaponization program had been detected.

On the opposite, in November 2007 the US National Intelligence Estimate (NIE) concluded that Iran had halted an active nuclear weapons program in the fall of 2003 and that it had remained halted until mid 2007. The estimate further judged with "moderate-to-high confidence" that Iran was "keeping open the option to develop nuclear weapons." The new estimate says that, through the enrichment program, Iran could collect enough raw materials to produce a nuclear weapon. Nevertheless, intelligence agencies “did not know whether Iran intended to develop nuclear weapons”, but that "Iran probably would be technically capable of producing enough highly enriched uranium for a weapon by 2015".12 Russia dismissed this conclusion, stating that no evidence had been provided on the fact that Iran had ever pursued a nuclear weapons program.


The 2007 NIE report differed from the previous 2005 NIE conclusion which asserted that Iran had an active and on-going nuclear weapons program in 2005.

The Director General of IAEA Mohammed El Baradei noted that the NIE conclusions corresponded with the IAEA's consistent statements that it had "no concrete evidence of an ongoing nuclear weapons program or undeclared nuclear facilities in Iran."

The November 2007 IAEA Report

The November 15, 2007 IAEA report found that "Iran's statements are consistent with information available to the agency," but it warned that its knowledge of Teheran's present atomic work was shrinking due to Iran's refusal to continue voluntarily implementing the Additional Protocol, as it had done in the past under the Teheran agreement of October 2003 and the Paris agreement of November 2004.

On November 2007, President Ahmadinejad announced that he intended to consult with other Arab nations on a plan, under the auspices of the Gulf Cooperation Council, to enrich uranium in a neutral third country, such as Switzerland. IAEA officials complained in 2007 that most US intelligence shared with it about Iran's nuclear program proved to be inaccurate, and that none had led to significant discoveries inside Iran through that time.

The February 2008 IAEA Report

In February 2008, the following IAEA Report stated that the Agency had been able to "continue to verify the non-diversion of declared nuclear material in Iran. Iran had provided the Agency with access to declared nuclear materials and has provided the required nuclear material accountancy reports in connection with declared nuclear material and activities."

As far as compliance to the Security Council Resolutions is concerned, Iran has "not suspended its enrichment related activities. In addition, Iran started the development of new
generation centrifuges and continued the construction of the IR-40 reactor and operation of the Heavy Water Production Plant.”

Moreover, the Agency has “no concrete information about possible current undeclared nuclear material and activities in Iran. Although Iran has provided some additional detailed information about its current activities on an ad hoc basis, the Agency will not be in a position to make progress towards providing credible assurances about the absence of undeclared nuclear material and activities in Iran before reaching some clarity about the nature of the alleged studies, and without implementation of the Additional Protocol. This is especially important in the light of the many years of undeclared activities in Iran and the confidence deficit created as a result.”

The UN Security Council Resolution 1803 of 2008

The UN Security Council Resolution 1803 was adopted on March 3, 2008, with only one abstention and fourteen members in favour. The Security Council of the United Nations, on the basis of Article 41 of Chapter VII of the UN Charter, required Iran to cease and desist from any and all uranium enrichment. It also required Iran to stop any research and development associated with centrifuges and uranium enrichment. Iran refused to stop its enrichment, and claimed its right to continue under the IAEA’s standards and practices.

Sanctions of Resolution 1747 were further extended in March 2008 to cover additional financial institutions, restrict travel of additional persons, and bar exports of nuclear related and missile related dual use goods to Iran.


The May 2008 IAEA Report

In May 2008, the IAEA issued another regular report on the implementation of safeguards in the Islamic Republic.

According to the report, the IAEA had been able to continue to verify the non-diversion of declared nuclear material in Iran, and Iran had provided the Agency with access to declared nuclear material and accountancy reports, as required by its safeguards agreement. Iran had installed several new centrifuges, including more advanced models that were operational as declared and were making low enriched uranium. The report also noted that other elements of Iran's nuclear program continued to be subject to IAEA monitoring and safeguards, including the construction of the heavy water facility in Arak, the construction and use of hot cells associated with the Teheran Research Reactor, the uranium conversion efforts, and the Russian nuclear fuel delivered for the Bushehr reactor. On the other hand, the report stated that the IAEA had requested, as a voluntary transparency measures, to be allowed to inspect centrifuge manufacturing sites, but that Iran had refused the request.

The IAEA report also stated that Iran had submitted replies to questions regarding "possible military dimensions" to its nuclear program, which include alleged studies on the Green Salt Project, also known as the Project 1-11, a high-explosive testing.

In the end, one more time the report stated that Iran may have more information on the alleged studies, which "remain a matter of serious concern", but that the IAEA itself had not found evidence of actual design or production of nuclear weapons or components. The IAEA also stated that it was not itself in possession of certain documents containing the allegations against Iran, and therefore it was not able to share the documents with Iran.
The September 2008 IAEA Report

In September 2008 the IAEA released a report on the implementation of safeguards in Iran and the execution of Non-Proliferation Treaty regulations in Iran. The report also investigated Iran’s acquiescence to previous Security Council Resolutions 1737, 1747, and 1803. According to the report, Iran continued to provide the IAEA with access to declared nuclear material and activities, which continued to be operated under safeguards and with no evidence of any diversion of nuclear material for non-peaceful uses.

Nevertheless, the report reiterated that the IAEA would not be able to verify the exclusively peaceful nature of Iran’s nuclear program unless Iran adopted transparency measures which exceeded its safeguards agreement with the IAEA, since the IAEA does not verify the absence of undeclared nuclear activities in any country unless the Additional Protocol is in force. According to the report, Iran had made significant progress in developing and operating its centrifuges and it continued to resist efforts to address its suspected nuclear weapons work at its Fuel Enrichment Plant in Isfahan.

When Iran was also asked to clarify information about foreign assistance it may have received in connection with a high explosive charge suitable for a nuclear device, Iran stated that there had been no such activities in Iran.

The IAEA also reported that it had held a series of meetings with Iranian officials to resolve the outstanding issues including the alleged studies into nuclear weaponization which were listed in the May 2008 IAEA report. During the course of these meetings, the Iranians asserted that the allegations as a whole were based on forged documents and fabricated data, and that Iran had not actually received the documentation substantiating the allegations.

Moreover, Iran accused the United States of preventing the IAEA from delivering the documents about the alleged studies to Iran as required by the Modalities Agreement, and
stated that Iran had done its best to respond to the allegations but would not accept "any request beyond legal obligation and particularly beyond the Work Plan, that were already implemented."

The report also stated that IAEA inspectors had found "no evidence on the actual design or manufacture by Iran of nuclear material components of a nuclear weapon nor has the Agency detected the actual use of nuclear material in connection with the alleged studies" but insisted that the IAEA would not be able to formally verify the peaceful nature of Iran's nuclear program unless Iran had agreed to adopt the requested transparency measures.\(^\text{14}\)

**The UN Security Council Resolution 1835 of 2008**

The UN Security Council Resolution 1835 was adopted unanimously by the UN Security Council on September 27, 2008 and reaffirmed all the previous council resolutions: 1696, 1737, 1747, and 1803. The resolution, sponsored by Great Britain, China, France, Russia, the United States, and Germany was in response to the September report of the IAEA that stated that Iran had not suspended uranium enrichment related activities.

Resolution 1835 imposes no additional penalties on Iran. However, it does reiterate three previous sets of sanctions targeting Iranian nuclear related and missile related activities. The resolution also emphasizes the Security Council’s previous commitment to “an early negotiated settlement to the Iranian nuclear issue”.

The resolution reads as follows: the Security Council "reaffirms its commitment within this framework to an early negotiated solution to the Iranian nuclear issue and welcomes the


continuing efforts in this regard; calls upon Iran to comply fully and without delay with its obligations under the above-mentioned resolutions of the Security Council, and to meet the requirements of the IAEA Board of Governors; decides to remain seized of the matter.”

The November 2008 IAEA Report

The most recent IAEA report on Iran dates back to November 2008. It stated that the Agency had been able to “continue to verify the non-diversion of declared nuclear material in Iran. Iran has provided the Agency with access to declared nuclear material and has provided the required nuclear material accounting reports in connection with declared nuclear material and activities. However, Iran has not implemented the modified text of its Subsidiary Arrangements General Part, Code 3.1 on the early provision of design information. Nor has Iran implemented the Additional Protocol, which is essential for the Agency to provide credible assurance about the absence of undeclared nuclear material and activities. Contrary to the decisions of the Security Council, Iran has not suspended its enrichment related activities, having continued the operation of PFEP and FEP\textsuperscript{16} and the installation of new cascades and the operation of new generation centrifuges for test purposes. Iran has not


\textsuperscript{16} Features, Events, and Processes (FEP) and Project specific Features, Events, and Processes (PFEP) are terms used in the field of radioactive waste management to define relevant scenarios for safety assessment studies. Features include the characteristics of the site, such as the type of soil or geological formation the repository is to be built on or under. Events would include things that may or will occur in the future, like droughts or earthquakes. Processes are things that are ongoing, such as the erosion or subsidence of the landform where the site is located on, or near.
provided access to the IR-40, and, therefore, the Agency is not able to verify the current status of its construction.”

1.7 Present Day

The current situation does not seem to have any chance to improve. At the moment Iranian position is still in conflict with the US and the EU. The IAEA, again, does not dispose of any evidence concerning nuclear weapons facilities. Suspects about illicit behaviours are engendered by a lack of cooperation, and the dialogue between the two sides does not seem to offer any opening.

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Chapter 2 : Geopolitical Consequences of Iranian Nuclear Capacity

Possible geopolitical consequences depend on the two main uses of nuclear energy.

As uranium enrichment is a dual use technology, both peaceful civil and military applications might have repercussions on the balance in the Middle East. On one hand, the civil use of nuclear energy might fuel Iranian industry sector, and lead Iranian economy toward a more efficient management of oil resources. On the other hand, nuclear weapons, whether developed, might establish a new deterrence toward Israel and Arab countries.

In this chapter geopolitical consequences will be treated from both points of view, but the second one will have greater importance because of its international direct consequences.

2.1 Civil Use of Nuclear Energy

Iran has all the necessary instruments to become a major country in the Middle East, but its hegemony depends on oil management. More important, efficient policies and an appropriate political class are required, in order to achieve positive results. Other players, and not only bordering countries, have always been interested in controlling any Iranian attempt of independence. Iran is finally claiming its influence in the region, especially after the defeat of Iraq. In the near future it could become the main player in the whole area, overcoming the Caspian countries, and having a dialogue on hydrocarbons in conditions of parity with Russia. Of course, delicate negotiations are necessary, as far as the Caspian Sea influence is concerned, but at the same time the research carried out in the nuclear weapons field, and the resistances against UN sanctions show that Iran is not prone to yield to Western power.

What if Iran could achieve hegemony in the Middle East, if all other oil exporting countries had an ally against oil dependent countries? Can Iran start a new oil industry’s management, defending itself by Western intervention and becoming self reliant? Or is cooperation with
Western countries more than ever necessary, in a world that is no longer willing to fight oil wars, and which is finally aware of interdependence?

Oil consumption in Iran grows by 3 % each year, and in 2007 has touched 1,6 mbd\(^\text{18}\). This increase reduces export because OPEC Iranian production quota remains at 4 mbd, whatever the domestic consumption level can be.

In order to maintain a high level of export, oil shall be replaced with renewable energy sources. A civil nuclear programme that will put into being between 10 and 20 nuclear plants, with a power of 20,000 megawatts by 2020 seems to be the most efficient solution.

Even though Iran has repeatedly warned that it may stop oil exports, it cannot significantly reduce oil exports without inflicting massive damage on its own economy, because by subsidizing all energy products, Iran has artificially boosted demand, while US sanctions limit its ability to increase supply. As a result, Iran has become reliant on imports of gasoline and other foreign products. The sharply rising domestic demand pushes Iran to need for nuclear power to generate electricity, but Iran continues to suffer from American and European pressure with regards to its nuclear program, and in the past two years, on human rights and political freedom issues.

2.2 The Nuclear Weapon and the Changing Balance in the Middle East

The previous historical background concerning the events affecting Iran and the West is limited to the nuclear field. It provides a general outlook on the nuclear issue, the negotiation attempts so far, and the intervention of international organizations. A deeper analysis,

\(^{18}\) Million Barrels per Day
however, shall include a wider reasoning on the geopolitical consequences deriving from the nuclear double use dangers, and from the new balances that it might create in the Middle East. Iran’s effort to pursue uranium enrichment capacity can be considered as a major threat to the balance in the Middle East. According to the IAEA General Director Mohammed El-Baradei, Iran’s preferred option is to have the capability to make weapons, more than disposing of them. He argued that mastering the uranium enrichment capacity is a deterrent itself, because the message sent to the world is that, after production of uranium, the weapon might be without difficulty the following step.19

In general it can be argued that the three main consequences that will result from Iran’s acquisition of nuclear weapons will be the following.

Firstly, there will be a rise in nuclear proliferation. Iran’s nuclear capability would, if unchallenged, encourage its neighbors (including Iraq, Saudi Arabia, Egypt, Syria and Turkey) to develop nuclear options. Such escalation would likely undermine nuclear non-proliferation restraints internationally and change the balance of international relations in the Middle East by introducing a new factor.

Secondly, a rise in oil prices will occur. A nuclear-ready Iran could have the intention to put up oil prices. This could be done by threatening the safety of the Strait of Hormutz and the whole region.

Thirdly, it might try to diminish US influence by using nuclear weapons as a deterrent to the United States and its allies. Iran might further support guerrilla groups as to reduce the US involvement in the Middle East and American support for Israel and for actions against Iran in general.

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19 ELBARADEI, Mohamed, Transcript Online NewsHour, Online Posting, 18 March 2004, 10 February 2009
< http://www.pbs.org/newshour/bb/international/jan-june04/elbaradei_3-18.html >
Iran is well aware that nuclear weaponization in the long term will weaken its strategic position, because it will probably start a nuclear arms race that might involve Arab countries. Iran might benefit from the advantage of military superiority in the short term, but this superiority will increasingly diminish when Iran will be surrounded by a Middle East equipped with nuclear weapons. I must be taken into consideration that Iran has never been interested in a general spread of nuclear capacity in this area. In the 1970s it cooperated with Egypt to maintain the Middle East a nuclear free zone.

After the analysis of the countries of the region, in order to estimate the possibility of a sudden proliferation, the current position of two main players, the US and Israel will be considered.

**Turkey**

Turkey is probably the country that might be most exposed to proliferation developments in the Middle East. During the Cold War, as a NATO member State, Turkey has had nuclear warheads deployed on its territory.

Nowadays Turkey continues to act in a NATO context, and even though Turkish - Russian political and economic relationship has improved in the last few years, Turkey remains, for its geopolitical position and its history, one of the most sensitive NATO members on the issue. The prospect of one or more nuclear states on Turkey’s Middle Eastern borders can become a significant factor in Turkish strategic perception.

As far as the nuclear issue is concerned, Turkey prefers a NATO multilateral approach, and to an increasing extent, European policies.

Turkey, however, has recently begun to consider a deterrence and response capacity that goes beyond NATO arrangements. It depends both on the perception of reliability of NATO and US commitments in Middle East, and on the proliferation of nuclear weapons in the region.
Accession is a consistent part of the Turkish – EU relation, especially because the EU is now supposed to show its capability of managing the enlargement and the Neighbourhood Policy, and, in general, new extra European challenges, including proliferation.

Because of its geopolitical position, Turkish territorial defense and internal security remain priorities.

It shall not be excluded that an important factor in elevating Turkish attention toward nuclear proliferation risk, and Iranian risks in particular, has been the development of a strategic relationship with Israel. This strategic relationship has been encouraged by Washington, but has its origins in Turkish and Israeli interests. Objective factors and this increased dialogue have created a substantial convergence in strategic perception and regional risk assessment. Israel is engaged in Turkey’s defense modernization program, and this collaboration also includes possible responses to nuclear threats. 20

Because of its geopolitical position, Turkey will be heavily affected by the strategies of other players, such as the United States, Europe, Israel and Russia. The country is not in the condition of undertaking any unilateral response, and a multilateral approach will not expose Turkey to risks in its relationships with the US and the EU. Any autonomous action may also have a cascade effect on strategic balances beyond the Middle East, affecting Turkish relations with Russia, the Caucasus, Central Asia, and even the Balkans.

As far as the threats that a nuclear Iran might pose to Turkey, it must be pointed out that these will be both direct and indirect. In direct terms, a functioning Iranian nuclear arsenal

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20 LESSER O., Ian, “Turkey, Iran, and Nuclear Risks”, Nonproliferation Policy Education Center (NPEC), Online Posting, October 2005, in Sokolski H. and Clawson P. “Getting Ready for a Nuclear Ready Iran”, 28 March 2009

< http://www.strategicstudiesinstitute.army.mil/ >
would place immediate pressure on Turkey’s missile defense plans, and would probably push Turkey toward tighter NATO guarantees regarding Article V.

Exposure to a nuclear arsenal on Turkey’s borders would immensely increase the sense of insecurity. In the absence of a predictable Western security guarantee, Turkey might also consider acquiring its own deterrent capability. In the last few years Turkey has shown interest in establishing a civil nuclear power sector to improve its energy sector. It does not seem that Turkey has a nuclear weapons program and that it could develop a weapons program in the near future.

Moreover, a nuclear Iran would acquire new strategic weight in its relations with Turkey. Turkish diplomatic position toward Kurds, energy, and other issues that have been high on the bilateral agenda might be jeopardized.

A nuclear Iran would severely complicate Turkey’s security relationships with Washington, Israel, and Europe. A new nuclear threat to Turkish territory, however theoretical, might encourage a convergence of strategic perception among those most affected by this development.

In practical terms, however, Turkey will reopen a series of new security dilemmas. In fact, Turkey might play a role analogous to Germany during the Cold War. The prospect would surely reopen doctrinal debates about nuclear strategy within NATO, at a time when the Atlantic Alliance is contemplating a formal role in security across the “greater Middle East.”


< http://www.strategicstudiesinstitute.army.mil/ >
Arab Countries

Historically speaking, Arab states have always made efforts to balance Iranian power in the Persian Gulf and Middle East. During the Iraq-Iran war most of the Arab states, with the exceptions of Syria and Yemen, backed Iraq politically, economically, and militarily.

The outcome of the Iran-Iraq war resized the Arab perception of Iran during the 1990s. Moreover, the American military presence in the region after the 1990-1991 war, aimed at monitoring and deterring any Iraqi military ambitions in the Gulf, reassured Arab Gulf states about the regional balance of power.

Arab countries are in a dilemma. They know that Iran’s possession of nuclear weapons will probably give rise to a more aggressive foreign policy, especially for material assistance on Hezbollah to engage in operations against Israeli and American interests. At the same time, Arab counties are alarmed by a preemptive war on Iran. The Gulf States, like Saudi Arabia, know that successful American military operations in the Gulf would give the Americans great influence over the global oil market. For the same reason, and for the maintaining of a peaceful balance, Arab countries will be concerned about Israeli preventive military action.

Among the Arab countries, Gulf States will perceive the Iranian threat most acutely. Iraq, for example, will continue to see Iran as the largest national security threat in the region. The withdrawal of American and international forces from Iraq probably would jeopardize Iraq. Especially if Iran supported Iraqi Shia opposition in the south or challenge the Shat al Arab during the reconstruction of the country.

Iran’s acquisition of nuclear weapons will have security repercussions also for Arab states beyond the immediate Persian Gulf area. Other countries, such as Saudi Arabia, Egypt, Turkey, and Syria, in fact, are close to Iran and they have been suspected of being interested, in the
past, in acquiring nuclear weapons. In particular, Syria and Egypt are geopolitically central to Middle Eastern security and will see their interests most directly affected by Iran’s nuclear weapons power. Concerns about the prospects of Syrian or Egyptian nuclear weapons programs, however, have been resized in part due to the economic weaknesses of both states.

**Saudi Arabia**

Diplomatic relations between Saudi Arabia and the Islamic Republic of Iran were interrupted by the Islamic Revolution and the Iran–Iraq war. Recently, Saudi Arabia has worked to restore relations with Iran, but possession of nuclear weapons is likely to cause discomfort in the kingdom. In fact, neither of the two countries has abandoned its traditional aspirations in the Gulf. Saudi Arabia is likely to view Iran’s acquisition of nuclear weapons as a substantial effort toward politically and militarily domination of the Gulf. Saudi Arabia does not possess a nuclear weapons capability and it does not seem that it possesses the necessary technical structures to develop any, without foreign assistance. However, there are some suspicions that Saudi Arabia has considered the nuclear option and even sought to purchase nuclear weapons from abroad, in particular from Pakistan despite the country’s non nuclear weapon status and commitments under the Non Proliferation Treaty signed in 1988.

**Syria**

Syria, at least in the short term, might benefit from Iran’s nuclear weapon. Syria is increasingly isolated and in a weakened regional security position. It is surrounded by countries that enjoy strong security relationships with the United States, such as Israel to the southwest, Jordan to the south, Iraq to the east, and Turkey to the north. Therefore Iran should be the only country to cooperate with on a regional level against the others.
In March 2004 an agreement was signed between Syria and Iran on defense and military cooperation. The two countries deal with a similar strategic situation and are interested in cooperating with each other to maintain their political independence. Both countries are united against Israel in support of the Palestinians, Hezbollah, and Lebanon. Moreover, they were both rivals of the Iraqi Baathist regime of Saddam Hussein, and both currently fear American hegemony and intentions in the region.

In the long term, however, Syria probably would start to suffer from the negative strategic consequences of Iranian nuclear weapons. If, in response to Iranian nuclear weapons, Turkey and Iraq pursue nuclear weapons options, Syria will see its power position in the region deteriorate even further. As Syria considers Israel as its bigger security threat, additional Turkish or Iraqi nuclear weapons will push Syria to pursue nuclear capability. The Syrian regime is isolated politically and might calculate that it has no other means to ensure its survival other than a nuclear deterrent. Tel Aviv, for its part, probably could not tolerate Syrian possession of nuclear weapons, and, unlike the case of Iran, Israel has more than sufficient military capabilities needed to wage a sustained air campaign to damage Syrian political, military, and economic nodes significantly.

However, it does not seem that Syria is pursuing seriously the development of nuclear weapons. Moreover, it appears that Syria does not currently possess the infrastructure and personnel necessary to establish a nuclear weapons program, without external assistance.

**Egypt**

Egypt is geographically farther from Iran and does not feel the direct Iranian military threat as acutely as other countries located closer. Nevertheless, Egyptian search for the leadership in the Arab world will be stopped by a new perception of Iran’s nuclear weapon.
Cairo has been exerting diplomatic pressure for a nuclear free zone in the Middle East being critical of the nuclear nonproliferation regime in order to find a means to stop Israel’s unilateral nuclear weapons advantage in the region.

**Other Countries**

Kuwait, Bahrain, Qatar, the United Arab Emirates and Oman perceive Iran as a threat. Yemen can be considered as an exception because of its geographic distance from Iran. Yemen’s main security preoccupation, despite Iranian nuclear weapons in the Gulf region, will continue to be Saudi Arabia.

Small Gulf Arab countries have made efforts to develop nuclear power plants, but they might be less strong than Iran to defend themselves from international criticisms. Moreover, they are far more dependent on critical trade and security from the West than Iran and more vulnerable to the effects of international economic sanctions and worsening in bilateral security arrangements. The United Arab Emirates perceives the Iranians as a threat more acutely than other Gulf Arab countries. The Iranian occupation of the contested territories of Greater and Lesser Tunbs and Abu Musa Islands is still a reason of conflict. In the UAE vision, Iran’s nuclear weapons will reduce Iranian interest in negotiate a settlement to the island disputes.

Rather than achieve their own nuclear weapons capabilities, the smaller Gulf Arab States might try to find security arrangements to acquire deterrence against the Iranian nuclear weapons threat. Iranian nuclear weapons could act as a further catalyst for Arab Gulf States to reinforce their security relationships with the United States. Kuwait, Bahrain, Oman, and
Qatar might increase the already substantial security links that have bloomed with the United States since the 1991 Gulf war.\(^\text{22}\)

**The US and its Allies**

The US does not have the same position they had in the past. After the collapse of the Soviet Union and the end of the cold war the US was the world’s sole superpower. Containment was put in place through the peace process, and the US could afford to establish a “New World Order.”

The US could benefit from Arab cooperation against Iraq that would lead to an improvement in Israeli Palestinian peace efforts. On the other hand Iran was weakened by the aftermaths of the war against Iraq, and its concerns with the EU and Arab countries were not good.

Nowadays the situation has changed. The war in Iraq has weakened the US both diplomatically and militarily, Israel has not won the 2006 war against Hezbollah in Lebanon, and safety of Arab countries in the Middle East is tied to the US that cannot ensure an efficient protection.

Iran, instead, has gained strength. Its rivals in the Middle East, Iraq’s Saddam Hussein and Afghanistan’s Talibans have been or are being fought by the US, and no regional power can counterbalance Iran without the American support.

Today, US opportunities to negotiate with Iran from a position of strength no longer exist.\(^\text{23}\)

According to Ben-Ami, Israel’s foreign minister between November 2000 and March 2001,

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“the question today is not when Iran will have nuclear power, but how to integrate it into a policy of regional stability before it obtains such power. Iran is not driven by an obsession to destroy Israel, but by its determination to preserve its regime and establish itself as a strategic regional power, vis-à-vis both Israel and the Sunni Arab states... The answer to Iranian threat is a policy of détente which would change the Iranian élite’s pattern of conduct.”

Ben-Ami also stated that “the Bush administration and Israel have been more interested in fighting “evil” than in pursuing conflict resolution” and that “a US Iran dialogue is absolutely necessary, even though it would lead to serious compromises for Washington and Tel Aviv, such as recognizing Iran’s regional importance.” He also pointed out that “alleviating the Iranian threat will aid the Israeli Palestinian peace process.”

According to this sophisticated diplomat, the solution to the Israeli Palestinian conflict cannot be found unless the geopolitical issues are addressed. The conflict seems to be unsolvable because of the geopolitical imbalance. Therefore, any peace process will be hindered by underlying geopolitical rivalries.

**Iran and Israel, Regional Powers**

A nuclear capable Iran will surely have an impact on Israel's strategic maneuverability.

Firstly, Israeli capability of deterring militant Palestinian and Lebanese organizations will be damaged. Israel will no longer be the only nuclear armed country in the Middle East, and its

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stabilization power would collapse. Israel would not be able to face a nuclear rivalry with Iran and continued territorial disputes with the Arabs, Palestinians in particular, at the same time. Secondly, Iran will be recognized as a regional power, at the expenses of Israel. This will mean a change once and for all in the current situation.

Moreover, even if Iran had the weapon, it will not be able to compete with the huge Israeli nuclear arsenal, and consequently, its second strike capability. Furthermore, some Iranian policymakers believe that nuclear weapons are not an effective deterrent against Israel and its possible attacks. Iran is endowed with other deterrence instruments that, apparently, are more efficient and less risky, as Hezbollah. These deterrents are not operational against the US, and therefore the only deterrent against Washington might be the nuclear weapon, but relations with the US can still be improved, and in that case disposing of nuclear weapons would be useless again.

Iranian foreign policy under the Shah was aimed at gaining the leadership in the Middle East and the naval leadership in the Indian Ocean. In 1979 the main objective had not changed, in fact the Islamic Republic aspired to be the leader in the entire Islamic world. It was only after the Iraq-Iran war that Teheran gradually reduced its aspiration by considering as its area of interests the sole Persian Gulf and the Caspian Sea Basin.

Integration remains the only policy that can stabilize the region, but it can be applied only in the event of a big change in Iranian and Israeli policies. Iran shall accept the two states solution avoiding threats against Israel and shall reduce its regional ambitions, and eventually the instruments it wants to use, such as the nuclear for military uses. Israel, instead, shall change its military policy as to avoid direct conflicts with Iran. According to Trita Parsi, “the clash between Iran’s regional ambitions and Israel’s insistence on strategic dominance will continue to fuel instability and undermine Washington’s interest in the region unless the US
recognizes that neither stability nor democracy can be achieved without ending the balancing
game and genuinely seeking a Middle East that integrates the legitimate aspirations of all
states, including Iran.”26

University Press
Chapter 3: War

3.1 War Scenarios

Ahmadinejad leadership, with its radical declarations, is perceived by the West as a threat. Iran is actively supporting Islamic radical militias, such as Hezbollah in Lebanon, Hamas and the Islamic Jihad in the Gaza Strip and in the West Bank, and the Shiites Iraqi group Badr and Mahdi in Iraq. Iran has been involved in some terrorist attacks like in the case of hostages in Lebanon in the 1980s, the assassination of the former Iranian leader Shahpur Bakhtiyar in Paris in 1981, the murder of Iranian Kurds leaders in Berlin in 1992, and the explosion in the Jewish Cultural Centre in Buenos Aires in 1994.

Moreover, Ahmadinejad commitment in developing ballistic missiles and wiping off Israel sensibly disturb Western powers.

It must be considered that part of the current Iranian acting derives from the two regime changes imposed by the US, which are Iraq in the west and Afghanistan in the east. Therefore Iran has supported the abovementioned terrorist groups in the region, including groups that exert pressure in Iraq in order to avoid the raise of a Kurdish power, settled in the western part of the country, that might create problems in Iran.

Iranian acquisition of nuclear weapons will probably become a device of passive deterrence and a defence instrument, but one of the options provided by the scenario and that cannot be excluded, especially considering Western countries’ opinion, is the possibility that Iran will use weapons of mass destruction to exert direct and indirect pressure on its neighbours, threatening them as to achieve new important results.
Some experts, like Mohammad Nima Baheli, argue that the lack of dialogue, due to Iranian condition of isolation, and the continuous misunderstanding, misperceptions, and miscalculations between Iran and the rest of the world will probably lead to a crisis, and therefore, to an armed conflict.

The western lack of confidence toward Iran, and the fear of progress in the field of nuclear weapons, which seem difficult to control, make other countries believe that the true reasons behind Iran’s pursuit of nuclear technology are military.

It is not excluded that the US have already prepared military plans to rapidly attack the most important sites in the region, or, what is worse, have already prepared the plans for a nuclear war. This horrible solution may also be the outcome of an Iranian attack against cities, key civilian facilities, and military targets using nuclear weapons. Of course, this option depends on the fact that Iran owns nuclear weapons. Moreover, if Iran achieves significant results in the pursue of nuclear weapon, it will be probably able to strike any country in the region, including Israel. Iran is likely to produce only limited numbers of warheads and missiles, and it is not likely that Iran will have ICBMs missiles that can reach the United States. However, their missiles may, in the future, reach the European territory.27

Israeli intervention shall be taken into the highest consideration. This option shall be considered as extremely meaningful for any further development of the situation in the Middle East.

In the event of an attack, especially in the event of a nuclear attack, probably it will be too late to negotiate a ceasefire under the edge of the Security Council. Devastating and irreparable consequences will affect those who are commonly called “casualties”, but generally known as innocent people.

27 Intercontinental Ballistic Missiles
The US and allied forces in the Persian Gulf would have to deal with the risk of nuclear escalation, and will react to the achievement of a nuclear armed Iran in one or more of the following ways: acquiescence, economic sanctions, containment, deterrence, (retaliation) and preemptive attack.

**Acquiescence**

By being acquiescent, Western countries will not raise any objection against Iran’s further pursue and eventual following achievement of nuclear weapons. Consequently, Iran will be admitted to the nuclear club, along with Israel, India, and Pakistan (none of them signers of the NPT). As a consequence the US, trying to maintain stability in the region, would feel vulnerable, because it would have to deal with a nuclear Iran in order to manage issues concerning oil or indirect threats to Israel. Acquiescence is not an option. Believing, or hoping, that the international community will allow Iran to dispose of nuclear weapons, especially after all the sanctions that have been issued in the last few years, would be extremely naïf. On the opposite, a realistic view of the balance shows a far more probable direct reaction against a foreseeable risk. Any sort of acquiescence, if not supported by a strong and effective diplomacy, would be a mistake that Europe already dealt with, during the Appeasement that lead to the Munich agreement of 1938, and that no longer is applicable by the western heads of state and government.

**Sanctions**

There is no doubt that sanctions can slow down Iranian economy. Sanctions generally achieve their purposes, although they damage the population’s wellbeing. This is not always a directly pursued result. Sanctions must be given under UN authority, and, as above mentioned Russian and Chinese interests have not always matched the other members of the Security Council’s
interests. These two countries have a vested although underlying interest in good concerns with Iran, and in maintaining a cooperation concerning oil and gas, besides the building of pipelines across Iranian territory.

The UN Security Council has already issued some sanctions with Resolutions 1737, 1747, and 1803 between 2006 and 2008, but at the same time some proposals have been advanced by European countries and the US. The fact that a double track is adopted means that countries opposing to Iranian development are not totally convinced of the benefits deriving from sanctions.

Sanctions can also be counterproductive if they have the opposite effect of strengthening rather than weakening regimes.

Sanctions can be effective when they remain focused on clearly defined fields of concern and do not totally isolate the country. Furthermore, they shall be supported by all members of the UN Security Council, because their cohesion has a deep meaning that weights more than actual sanctions. Unless China and Russia follow a soft line, Iran will not be seriously surrounded by the UN power.

**Containment**

Iran would be surrounded with military forces after being pressed by economic and diplomatic strategies to contain its possible moves.

The consequence is that Iran would no longer have chance to act in regional affairs, under condition that the US can establish a very strong and broadly accepted presence in bordering countries such as Iraq and Afghanistan. In the last few years Iran has been contained by the US presence in Iraq and Afghanistan and this balance could be maintained, although excessive pressure on Iran can arise tensions.
Another consequence, mostly tied to the security aspect, is that any military action developed by Iran would be controlled, probably from the beginning, and intercepted.

But it is unlikely that containing and weakening Iran will be a viable solution. This policy, in fact, has been applied in the past and has had repercussions on the West. The last attempt to weaken Iran dates back to 2006, and is the war in Lebanon. Although Israel had been planning the war against Hezbollah for more than two years, Hezbollah was successful.

Iran probably feared that the US and Israel were paving the way for a military clash with Iran, and their first move was the defeat of Hezbollah. Generally, this might have been considered as a proxy war, but Iran interpreted the attack as the first phase of a direct confrontation. Hezbollah is a strong deterrent, and the Shia guerrilla groups are a real threat to northern Israel. This might be a sufficient reason why these attacks were a direct message to Iran.

The war lasted 34 days, and it did not confirm the image of Israel’s invincible deterrence. On the opposite, it made Israel more vulnerable. Furthermore, Hezbollah political strength grew.

**Deterrence**

By detaining the nuclear weapon, Iran would be considered as a proper enemy, and therefore subject to retaliation in the event that a single nuclear weapon was used.

Deterrence is a strategy by which governments threaten an immense retaliation in the event of attack, such that aggressors are deterred by the unacceptable damage they could suffer as a result of an aggression.

During the Cold War deterrence was put into being by the US, but some experts, like Robert McNamara, Secretary of Defence under John Fitzgerald Kennedy’s Presidency, argued that abandoning massive retaliation in order to pass to flexible response was necessary because of the dangers of a Mutual Assured Destruction.
It must be pointed out that the nuclear weapon might be used as a security device, and that they not necessarily will be used to deploy attacks on other countries, especially whether the number of warheads and missiles is small.

**Preemptive Attack**

The last alternative is disarmament under the Bush Administration’s preemption policy. A preemptive attack is the attempt to repel or defeat an offensive or invasion perceived as unavoidable, or to gain a strategic advantage in an impending war before that risk materializes. A preemptive strike offers to gain the advantage of initiative and to harm the enemy at a moment of scarce protection.

This policy was codified in a National Security Council document, the “National Security Strategy of the United States” published in 2002.

There are some problems concerning preemption on Iranian nuclear facilities. First of all, air strikes against Iranian nuclear facilities appear to be infeasible. Secondly, probably ground forces are not capable of dealing with Iranian territory. To set an example, Iran is a far larger country than Iraq, and with a very difficult territory. This is the opinion of many experts, including Paul Rogers.28

Under the Obama Presidency, according to the Change proposed in the Plan to Secure America, the option of a preemptive attack has been seriously set aside. In his programme, the new President of the United States has declared that non-military options in confronting this threat are not exhausted. Moreover, he wants to strengthen the Nuclear Non-Proliferation Treaty instead of threatening a war. President Obama opposed President Bush when he talked

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about the war in Iraq, and has declared, in January 2009, that he will extend a hand if Iran unclenched its fist.

**US Military Action**

A US attack on Iran would be potentially negative for the US position in Iraq and the whole region, considering the Iranian counterattack possibilities.

An attack on Iran would be much more difficult than on Iraq. Nuclear weapons and facilities, especially if well hidden, would be a strong deterrent. Neither side can win by using nuclear weapons, according to the Mutual Assured Destruction tenet.

The Bush administration has repeatedly refused to exclude the use of nuclear weapons in an attack on Iran. It might have been considered against underground Iranian nuclear facilities, like those in Esfahan and Natanz. Under the Obama Presidency such declarations have not been made, but the option of a preemptive nuclear strike is not to be excluded.

However, in the event that Iran did not dispose of nuclear weapons, a first-strike nuclear attack against non nuclear opponents should be considered as a violation of the US Negative Security Assurance. In fact, according to this document, nuclear weapons shall not be used against NPT non-nuclear members. Moreover, threats of the use of nuclear weapons against another country constitute a violation of Security Council Resolution 984 of 11 April 1995 and the International Court of Justice advisory opinion on the Legality of the Threat or Use of Nuclear Weapons.

From a US perspective, there are two main reasons for taking action against Iranian nuclear facilities. One would be to damage the overall programme in order to break any production of nuclear weapons. A second reason would be to make it clear that the US is prepared to start a significant preventive military action, and would, by implication, take action against other Iranian activities that it might find unacceptable.
The core problem is both quantitative and qualitative. In fact, any military action would have to involve more than just a series of attacks on nuclear sites. Moreover, from a qualitative point of view, bombings would not be sufficient, and the US ground forces are not capable of dealing with Iran. They are exhausted by Iraq and Iran is a far larger country with a very difficult territory.

Targets

Air strikes on nuclear facilities would involve the destruction of installations in the main cities of Teheran, Esfahan, Natanz and Arak. In particular, the Teheran research reactor, together with the radioisotope production facility, a range of nuclear-related laboratories and the Kalaye Electric Company, all in Teheran. In Esfahan, the Nuclear Technology Centre would be a major target, including a series of experimental reactors, uranium conversion facilities and a fuel fabrication laboratory. In Natanz there are pilot and full-scale enrichment plants that would be targeted, as would facilities at Arak. The new reactor nearing completion at Bushehr would be targeted as well.

Iranian navy and the air force will be hit as to block their action of closure of the Persian Gulf. In the ground the enemy is the Iranian Revolutionary Guard Corps, IRGC, and its main ground units, especially those that are close to the most important cities in the Gulf, like Abadan, Ahvaz e Shah Bahar, or at the Iraqi border, like Hamadan o Khorramshahr or at the Afghani border, like Mashhad, from where western logistics and support could be put into danger.

Developments

Iran currently has limited air defences and a largely obsolete and small air force. Even so, defence suppression would be a major aspect of military action, primarily to reduce the risk of
the killing or capture of US aircrew. The war would develop mainly in Teheran, Tabriz, Hamadan, Dezful, Umidiyeh, Shiraz and Isfahan, and Southern Command air bases at Bushehr, Bandar Abbas and Shah Bahar.

Given the small size and largely obsolete nature of the Iranian Air Force and air defence systems, Iran would be able to offer little direct opposition to an US attack, but the war's impact on oil markets would be crucial. The Straits of Hormuz is a strategic place that must be taken into the highest consideration, being a highly sensitive area.

US military operations would also be aimed at preempting any immediate Iranian responses. Most significant of these would be any possible retaliatory Iranian action to affect the transport of oil and liquefied natural gas through the Straits of Hormuz. This would be an obvious form of retaliation, and it would be disposed without any doubt.

The establishment of a bridgehead in Iranian territory might be more probable, especially if in a scarcely settled area, such as Eastern Iran, or populated by minorities opposing the regime, such as Kurds, Arabs in Khuzestan or Balochi in Baluchistan.

This option is not viable, because such an action might be perceived as a way to favour secession of large Iranian territories through the coordination of ethnic minorities and Western armies.

Consequences

Once that has happened, any destruction of the containment structure could lead to serious problems of radioactive dispersal affecting not just the Iranian Gulf coast, but west Gulf seaboards in Kuwait, Saudi Arabia, Bahrain, Qatar and the United Arab Emirates. As well as the direct human effects, since these comprise the world's most substantial concentration of oil production facilities, the consequences could be severe.
Iran, even though hit by US attacks, would not renounce to a nuclear weapons programme. An immediate response would be to reconstitute the infrastructure and secret redevelopment of nuclear programme towards a nuclear weapons capability.

Moreover, once such an action started, it would be practically impossible to maintain any relationship with Iran except one based on violence.

More generally, any hope of negotiating away Iran's suspected nuclear weapons programme in the years after a US attack would dissolve, undermining global non-proliferation efforts. The US action would produce instances of future military counter action.

As far as casualties are concerned, it is very difficult to predict the precise level of Iranian military and civilian casualties.

It is likely, however, that civilian casualty reports will be incomplete and the full extent of casualties will remain unknown for several months. Any reports of civilian casualties would be widely used by the Iranian media and by commercial media networks such as al-Jazeera elsewhere in the region.

What is worse, any surprise attack will hit many people, both civilian and military, unawares and unprotected. There will be no opportunity for people to move away from urban areas.29

Countermeasures

In October 2007, Iran hosted the second summit of the Caspian Sea countries, which included Azerbaijan, Iran, Kazakhstan, Russia, and Turkmenistan. The meeting followed the 2002 Ashgabat summit, and it had the same main objective: to achieve an agreement on the legal

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status of the Caspian Sea, and to define the littoral states' ownership of the sea's resources. The 2007 meeting did not indicate a serious change in the countries' positions on this issue, thus failing to produce a final agreement on the legal status of the sea. However, the Caspian Sea summit was significant in terms of regional politics, and it emphasized Iran’s growing influence and role in the area.

The Teheran declaration (this is the name of the final declaration carried out at the Teheran Summit) also included a two part security arrangement concerning a general commitment to a non aggression policy, and a specific promise by each country to deny the use of their territory for military actions against other Caspian Sea bordering states. This embryonic security arrangement is particularly important in the context of the ongoing US-Iran crisis, as numerous security sources indicated that, in case of a US military operation against Iran, US troops would consider opening a second front from Azerbaijan, a US ally in the region.

This recent countermeasures mean that airplanes that will attack will have to fly from Iraq or Afghanistan, or be carried on aircraft carriers, or use the air space of other countries in the region, such as Pakistan, Turkey, Saudi Arabia, or United Arab Emirates.

Persian Gulf countries should not be keen to give such permission for two reasons. Firstly, they are not military strong, and a foreign presence would be perceived as uncomfortable. Secondly, Shiite communities in the region shall not allow similar actions.

Pakistan, for example, has a strong Shiite population, and it will try to avoid any alliance between the Islamic Republic of Iran and India.

Besides Iraq and Afghanistan, where the US presence is growing, Turkey is the only country that might consent to the passage of armies, as it was during the Israeli attack on Syria. The Turkish cooperation, however, will not be easy to obtain, because, probably, it will make pressure to join the European Union, and to get freedom of action against Kurds.
**Israeli Military Option**

Since the 1979 Iranian Revolution, successive Israeli governments have considered Iran as the greatest long term regional threat. Nowadays Israel sees Iran, especially a nuclear Iran, as its major strategic threat. In the last few decades, many proxy actions have been undertaken as to exert pressure on Israeli population.

It could be argued that, apparently, interest toward Israel is stronger in Sunni Arab countries than in a Shiite Persian country like Iran. In fact, historically speaking, Israel has been far more a Sunni matter than Shia, and before the 1979 Iranian Revolution, hostility toward Israel had been mostly an Arab issue rather than a Persian or pan-Muslim one. If Iran has to be considered a country trying to achieve a regional power, Israel shall be excluded as a direct enemy.

These two countries have many points in common. Firstly, both consider themselves, and are considered, as two foreign elements in the Middle Eastern context. Secondly, they have the same medium range strategic objectives. The ideal for both countries would be to deal with a number of weak and divided Arab countries. Finally, both are interested in avoiding the development of a united coalition made of Arab nations establishing a strong Arabic power against them. In fact, Iraq under Saddam Hussein was a big concern for both Iran and Israel, and during the Iran-Iraq war, cooperation between Israel and Iran was strong, although under cover.

However, according to some experts, like Alterman, the government of Iran uses its hostility toward Israel as a strategic device, as a way to develop the presence of a Shiite, Farsi speaking power in the Sunni Arab heartland.

In order to propose itself as an influential regional force trying to change the status quo, and a fearless rejectionist that uses its geopolitical power when other regional states remain close
to the US protection, Iran states its hostility toward Israel and supports groups who can attack Israel.

By means of this behaviour the Iranian government seeks to demonstrate to the region its courage and to cover its aspirations to regional dominance.

Hezbollah, Hamas and the Palestinian Islamic Jihad are three examples of these “covered” operations. However, another name for these operations in proxy attacks.

It can be argued that Hezbollah, the Party of Allah, was set up as an Iranian creation in 1982, after the beginning of the 1982 Lebanon War, called by Israel the Operation Peace of the Galilee, and later also known as the First Lebanon War.

Hezbollah is linked to Lebanon's Shia plurality, its leaders were inspired by Ayatollah Khomeini, and its forces were trained and organized by a contingent of Iranian Pasdarans, or Revolutionary Guards. Iran also provides economic and military support for Hamas and the Palestinian Islamic Jihad, a smaller and weaker group than Hamas with no ambitions for political engagement or social service provision. Iran would likely use the Palestinian Islamic Jihad as an additional instrument with which it can further its own interests. As far as the nuclear issue is concerned, while Israel has threatened repeatedly a preemptive action against Iran directed at the destruction of nuclear plants before they become active in weapons production, Iran has kept its nuclear facilities secret.30

Destroying nuclear facilities by air attacks is more difficult to Israel than to the US. Moreover, in Iran lives a Jewish community of about 25,000 Israelis that might be put in danger by any operation.

A ground attack appears like the sole alternative. However, Israel has a problem concerning deployment of ground forces. Like the US, Israel cannot easily deploy ground troops in the Iranian territory, and the air attacks would not be sufficient to destroy nuclear underground sites. Moreover, Israeli planes would have to fly over countries that are not keen to accept military flies, such as Saudi Arabia, Jordan, or Turkey. As the two countries are very far, the conflict would start with an air strike, followed by the launch of ground to ground missiles, or sea to ground missiles.

There are some precedents that can show how Israel is seriously considering an attack on Iran.

In 1981 Israel attacked an Iraqi nuclear plant. The US was not informed, and a formal protest followed.

In September 2007 Israel attacked a presumed nuclear site in Syria, again without informing the US. Bombers flew over Turkey, which does not necessary mean to attack Syria, but might be useful in a future operation against Iran.

In June 2008 Israel has deployed a huge operation in the Mediterranean Sea, employing more than 100 F-15 and F-16 airplanes. These airplanes flew for a range of 1400 kilometers, which is exactly the distance between Israel and Iranian nuclear sites. It must be considered that the dimension of such a long lasting simulation requires the US approval.

Should Israel respond with a reappraisal, the whole defensive machine will be used, not excluding nuclear weapons. Israeli flies over Iraq would require US authorization, and such an action would cause a reaction from Europe and the Muslim world that would condemn Israel’s attempt to solve the problem on its own. Long term relations with the Arab world would definitely be compromised.
Iran would see any Israeli action as in close collaboration with the United States, and would respond as if the attacks had been conducted by the United States itself. This would, in the end, drag US forces into the confrontation. Thus, Israeli action would be intended to severely damage Iranian nuclear potential while being likely to bring the United States into the conflict. Iran’s reaction to Israeli military action might be oriented towards Hezbollah to act against Israel.

This would consent the Israeli government to start air strikes into Southern Lebanon. In the long term, opposition to the State of Israel would dramatically increase.\(^\text{31}\)

### 3.2 Other Options

**Regime Change Policy**

Some experts argue that a regime change by the outbreak of ethnics’ separatisms, in particular the Kurd, Arab and Balochi, could facilitate the stop of nuclear proliferation.

One option for Western countries could be waiting for the next Presidential election of June 2009 and for the expiring first mandate of President Ahmadinejad in August 2009. It cannot be excluded that Ahmadinejad wins a second mandate, although tensions among the main players are on the rise. These tensions are being brought about by Ahmadinejad’s personality itself, and make the arbitration of Ayatollah Khamenei necessary. As a consequence, opponents are starting an alliance between politicians who once were rivals. This coalition comprehends pragmatics like the former Presidents Khatami and Rafsanjani, and conservatives like Mohamed Bagher Qalibaf, mayor of Teheran, former Commander of the Islamic Revolutionary Guards Corps’ Air Force, and direct opponent of Ahmadinejad at the


last elections. This coalition has already had some results, like the victory at the municipal elections of December 2006, the Hachemi Rafsandjani’s election at the presidency of experts’ assembly in September 2007, and the vote of a parliamentary motion bringing about the reduction of President’s mandate. This progress has been confirmed in 2008 legislative elections by the success of Rafsanjani allies, although conservative, like Ali Larijani, who seized the largest share of Parliament seats.

On March 2009, However, Iran’s moderate former President Mohammad Khatami, who was expected to challenge President Mahmoud Ahmadinejad in the June 2009 presidential election, declared its withdrawal and its willing of supporting moderate candidate, former Prime Minister Mir Hussein Moussavi. The reason was the presence of two other prominent reformists determined to run, that might cause the splitting of the reformist vote, as in 2005, allowing Ahmadinejad to win a second mandate.

Khatami won the Presidency in 1997 and left office in 2005 because of opposition from hard line elements in Iran’s clerical establishment. Ahmadinejad has constantly had the support of Iran’s supreme leader and the Islamic Revolution Guard Corps. One of the remaining reformist candidates, Mir Hussein Moussavi, Prime Minister during the 1980-1988 Iran-Iraq war, is considered to be capable of attracting conservatives as well as liberals.

The second option consists in making a determined effort to achieve a regime change. It might lead to a significant change, but some points shall be analyzed.

Firstly, although a regime change could slow down nuclear proliferation, it is not sure that current opposition to the Ahmadinejad government, once it gets to power, will stop proliferation once and for all. It seems like the topic of nuclear development is a strong element of Iranian nationalism. Probably the US would tolerate a Democratic Republic or a
Monarchy in Iran with nuclear capability if they were a trusted ally. But there is no guarantee that a democratic Iran would be more stable or less radical than the current regime.

Secondly, the people of the Islamic Republic of Iran are afraid of a new revolution. There are two reasons not to start a revolution. Memories from the aftermaths of the revolution are still in people’s mind, and there is a fear that the lack of an externally established power in the post revolution phase would leave the country ungovernable.

Thirdly, there might be no groups able to overthrow the current regime. There are opposition groups and there is a people’s will to change regimes, but it is also true that they are very feeble and with a low level of contact with the population.

Political opposition and ethnic minorities might contemporaneously throw a popular revolt made of mass strikes and demonstrations, but this may be the spark of violent clashes between people and the regime’s militias. However, it will be the dimension of popular participation that will define the revolts’ level of success.

**Engagement**

This policy is based on the fact that Iran no longer can be contained. Iran becomes more aggressive when isolated, and integration in the international community would reduce the risks of confrontation. Many elements lead to thing that Iran’s size, population, educational level and natural resources can give this country a leadership in the region. There are issues where Western and Iranian interest are close. According to some analysts, in view of the lack of a real internal opposition, a selective political engagement could lead to a solution of the nuclear problem by bridging various discrepancies.

As it was during the years of the Shah, the strategy should be to build upon incremental improvements to reconcile the wider scope of fears that divide the two governments. The US should promptly move towards Iran to discover areas of common interests. It would be
enough for the US to offer Iran a direct dialogue on specific issues of regional stabilization and a detailed road map of rapprochement with the principles and objectives for the bilateral dialogue.32

In this sense the new Obama administration could pave the way to a difficult but complete agreement including Iranian interests in the Middle East.

The outcome of negotiations, or the aftermaths of military aggression, in fact, will define the balance and the course of future events not only in the Islamic Republic of Iran but also in the whole region. Should the regime be overthrown and substituted with a democratic government, probably democracy and liberalism in the Middle East would receive a big push.

If, on the other hand, the Islamic regime will survive, it will probably get out of the situation stronger, and Islamic fundamentalism will be strengthened in the whole region and in the Islamic world.

After these events, extensive terrorist attacks would be made, especially on American and Jewish targets. Moreover, an arms race will start, and more and more countries will try to achieve nuclear capabilities. The risk is that the whole region will become nuclear, and that the next war in the region will be nuclear as well.

Dialogue seems the turning point in order to stop escalation and to start a new path towards the avoidance of irreparable consequences.

3.3 Humanitarian Consequences of a War in Iran

In the event of a war, attacks will probably be launched by air and sea almost at the same time, at least in a first phase. These operations will have the aim of hitting nuclear and strategic sites, and of opening the way to ground troops, that will penetrate some strategic parts of the territory in a second phase. Large scale air to ground and sea to ground attacks have the advantage of creating a surprise effect, a chaotic situation and constraining the enemies to an immediate large scale response. On one hand Iran would be forced to deploy its entire military machine in order to protect the targets, and this will reveal its effective response capability, but, on the other hand, the population will be highly affected by these attacks.

When the first missile will be launched, an armed conflict of huge proportions will start and a crisis situation will begin. This conflict will be an international conflict following modern warfare rules, but since the troops will be deployed in the territory, regional guerrilla warfare will start. Guerrilla might be the real effective weapon of Iran. As explained before, missiles attacks and bombings will not be completely efficient. Ground troops, when dealing with the territory and the population, might probably suffer from the higher experience and determination of guerrilla terrorist troops.

Along with a conflict resolution approach, that in that case would be extremely difficult if local groups were involved in the conflict, it will be necessary an excellent crisis management, that, for the reasons that follow, will not be easy.

**Strategic Targets**

There are two main areas that have to be conquered in the war. The Persian Gulf, or the south of the country, where oil facilities are located, and the inland, where nuclear sites are hidden.
Western accession to Iran will be pursued by exploiting one of the most strategically important regions in the world, the Straits of Hormutz. Bandar Abbas and Shah Bahar in the Gulf of Oman are vital points of access. Sirri Island and Larak Island in the Persian Gulf will follow, being not only locations of oil platforms, but also Iranian military bases. The direct damage to the population, in this case, will not be too high, because the zone is scarcely populated. The coastal expansion would continue up to Bushehr, an extremely important area. In the 2005 census only 165,377 people were counted in the city of Bushehr, and the humanitarian issues in this case also, will not be a huge problem. Once the Gulf will be opened to western war crafts, naval air stations will patrol the Gulf and have access to the villages, cities and oil facilities in the coast.

At the same time, the second action in the inland will take place, this time affecting much severely the population. The reasons are that nuclear sites are close to big cities and megalopolis. Moreover, there is no way to deal with these cities if not cutting off electricity, communications, telecommunications, and interrupting road traffic by closing all accession points.

Air strikes will hit the Teheran nuclear Research Centre and the Esfahan Nuclear Technology Centre. Shortly afterwards, the two cities will be besieged. This is the way western troops will surround the cities: from the south the way to Esfahan starts at Bushehr and passes by Shiraz, the fifth most populated city in Iran, with 1,200,000 inhabitants. Then it continues to Natanz, which counts 40,000 people. Qom is the following city, and finally Teheran. From the west side, troops will come from the Iraqi borders, and will attack Tabriz, Iran’s fourth largest city. It is the largest city in northwestern Iran the capital of East Azarbaijan Province, with 1,600,000 inhabitants. After Tabriz, their following target will be Teheran, where ground troops will gather with troops from north. Probably the assurance of the possession of the
north will not be declared before the conquer of Mashhad, the second largest city in Iran and one of the holiest cities in the Shia world. It is close to the borders of Afghanistan and Turkmenistan. Its population was almost 2.5 million people at the 2006 population census. Conquering Mashhad, or at least controlling the way from Teheran to Mashhad might be extremely difficult for some reasons: this city is highly populated, and at the same time it is isolated in the north east, being connected to other cities in Iran by a long road crossing the desert. Its particular religious importance and its isolated position between the mountains close to the Afghani border make of Mashhad an extremely dangerous stronghold.

Teheran has almost 9 million people in the city but 14 millions in the Greater Teheran, the metropolitan urban area in Teheran Province that covers the contiguous cities of Teheran, Ray, Shemiranat, and other areas.

Esfahan, the capital of Esfahan Province, Iran’s third largest city after Teheran and Mashhad, has a population of 1,583,609 and the Esfahan metropolitan area has a population of 3,400,000 in the 2006 census, the second most populous metropolitan area in Iran after Teheran.

At the same time a deep military operation will probably require the control of other strategic cities, like the whole Khuzestan province, extremely important for oil and refineries. The main cities are Abadan, Khorramshahr, Ahvaz, Dezful and Umidiyeh. Ahvaz counts 1,350,000 people. In 2005, the Abadan population was estimated to be at more than 410,000 people. The civilian population of the city dropped to near zero during the eight-year Iran–Iraq War. Khorramshahr, Dezful and Umidiyeh count approximately 900,000 inhabitants.

Iran would be likely to encourage more militant action by Hezbollah in Southern Lebanon. Given that Hezbollah now has large quantities of missiles of a range sufficient to reach Haifa and other population centers in the north of Israel, a strong Israeli retaliation should be
expected on Iranian ground. Any action from Hezbollah would therefore result in substantial Israeli military responses. These would involve air strikes, the use of artillery and battlefield missiles and naval bombardment, probably striking the cities and civilians. They might extend to cross-border operations by infantry and armored units.

**Humanitarian Impact**

Altogether the population living in urban areas between these two axes, Tabriz - Teheran and Teheran - Shiraz and involved in the war will be of approximately of 22 million people.

In the event of a military pressure from south and west, excluding an intervention from Mashhad and Afghanistan, people from the main Iranian cities would probably be pushed toward the countryside, out from the internal area delimited by these two axes.

Refugees from the north would probably prefer the plains on the Caspian Sea coast to the mountains. They will seek water and possibly freshwaters and a way out on the Azerbaijan and Turkmenistan borders. The flow of refugees, especially those from Teheran will not be manageable. To make a comparison, in 2007 approximately 1,4 million Palestinians lived in the Gaza Strip, having a total area of 360 sq. km. The coastal area of the Caspian Sea is approximately 8 times larger, but in the whole not sufficient to contain the whole population even from only Teheran and Tabriz, counting 16 million people.

In the medium term an enormous pressure will be exerted from the human mass on the coastal area, crowding the existing villages on the coast. Moreover, there is not a direct road from Teheran to the coast. Refugees will have to go northwest to Qazvin and Rasht, a 300 km road to move around the mountains. Nothing of that can be done, however, without motorized vehicles.

People from Tabriz will probably also head for the Lake Urmia, or Daryacheh-ye Orumieh, the second largest salt water lake on earth, close to the Turkish border. As Iran is one of the
world’s most mountainous countries in the world, connections and transports will be extremely difficult. Therefore, providing food assistance, shelters and medical services to the future refugees’ camps will be extremely complicated. Management of a population of those proportions, gathering away from the cities and spreading in more than one point in rural areas will not be easy. What can be forecast, at least in the medium term, is that bombings and consequent disruption of public services will scare the population and will make life in the cities more and more difficult. Lack of electricity, communications or telecommunications, potable water, will push the population to follow the first way out, which, considering the roads from Teheran is the one to the sea. Chaos will reign, while humanitarian intervention will have to deal with the capability of containment of the two main future refugee camps, the Caspian Sea coast and the lake of Urmia, and the enormous distances between the cities and the camps.

People from Esfahan will probably go to north, or will be displaced in the countryside, which is not particularly favourable to human settlements because it is mountainous. People from Shiraz will probably head for the Maharloo Lake, a salted lake 27 km southeast of the city and to Lake Bakhtegan. It is unlikely that so many centers of refugees will be manageable. Guerrilla in the cities and in the mountains will continue, while fluxes of refugees will keep on running away from the cities.

**Humanitarian Response**

The coastal area in a short time will be insufficient to house the population of these cities. From the point of view of the organization, the process of setting up all institutional, logistic and material frameworks necessary to attain the outlined objectives within the specified timeframe, services already set up in the town near the coast, like Chalus, Now Shahr and
Sudeh will help, but in a short time these towns will show to be not equipped with enough facilities to deal with such a flow of people.

Moreover, these coastal areas are extremely difficult to reach for humanitarian organizations, unless aid is provided using the sea access from other countries, but in that case the consent of other countries will be necessary. In fact, they will have to trespass the area delimited by the two axes Tabriz-Teheran and Teheran-Shiraz, going through pockets of resistance in the road connecting Tabriz and Teheran, surrounded by mountains.

International organizations will have to obtain a reliable and long lasting ceasefire in order to guarantee the passage of refugees through Teheran to the coast, but it is foreseeable that any ceasefire will not be sufficient to allow all people from the south to go north to Teheran and afterwards to go through Teheran. It means that the guerrilla warfare will overlap the same routes of refugees, and fighters and terrorists might take advantage of this situation, increasing psychological and material vulnerability of the population.

Moreover, the coast will be difficult to reach also for logistics and equipment. After a few months, if supply will not be delivered, health facilities will stop working, or will work at a significantly reduced capacity, removal of household waste will be interrupted, and the shortage of all vital supplies and essential medicine will cause pandemics and easy spread of infectious diseases.

Efficient implementation, the process of translating planning into action, using the institutional, logistic and material resources specified at the organizational phase, will depend on these variables, and, in a word, on the level of isolation of the camps.

In the end the population will continue to go toward the coast, while an overall state of anarchy will reign. The humanitarian response will be absolutely inefficient, because of the huge number of civilians involved in the conflict and because of the particular geography of
the region. Other countries might help by deploying logistics and aid, but it does not seem that
the situation can be managed through an efficient international cooperation. It would be
better if Iranians could protect themselves without any other foreign help. Reliability on other
countries, especially the countries in the north in a long term conflict situation is not
guaranteed.
Chapter 4: Negotiation as a Viable Alternative to War

After years of misunderstandings and reciprocal accusations, the two sides are forced to deal with a common issue. Their recent history has made the two sides suspicious and has generated misperceptions instead of much more useful objective views.

As explained in the first chapter, the 1979 Revolution marked a negative turn in relations between the Islamic Republic and other countries, especially the US. Since relations were formally broken during the US embassy hostage crisis in April 1980, there has been an almost complete lack of official bilateral contact. 27 years after, in 2007, at a meeting held in Baghdad, the American Ambassador Ryan Crocker and the Iranian Ambassador Hassan Kazemi-Qomi marked the first official bilateral American-Iranian contact. Previous contacts had been informal, indirect, clandestine, or part of some multilateral framework. Earlier attempts to establish official dialogue were by then affected by reciprocal suspicions. In these situations, out of phase behaviours are frequent. When one side tried to approach the other, it was pulled back. In 1998, for example, Teheran rejected the visit of the Secretary of State Madeleine Albright. Her offer concerned the discussion, free from preconditions, of a roadmap to improve relations. In 2003, the United States ignored an Iranian proposal to open discussions on all outstanding issues, including a broader Middle East settlement, a decision that came from the illusion of an easy military victory in Iraq. Since 1979 grievances and suspicions are equally present in both sides, so that negotiations by the most skilled and experienced men may still fail. The key to progress is to establish a serious framework and to keep expectations realistic. Negotiation theory states that, even in difficult situations, when the counterpart is perceived as hostile and uncooperative, it is also worth entering into a relationship because both sides can make clear their common interests. And it is also very
important to understand the way the counterpart perceives the issue, and what it represents to her.

As the Iranian case is extremely delicate and important, there are many features to take into consideration. Our aim is not to define a solution to the problem, but it is to analyze the current situation, checking some aspects that are not productive of any positive result, and to introduce an interpretation of a linear negotiating theory that could be applied, according to the studies of Professor Roger Fisher and the Harvard Negotiation Project.

What is generally applicable to any negotiation, such as understanding underlying interests, knowing each side’s best and worst alternative to a negotiated agreement (BATNA, WATNA), building relationships, will be applicable in negotiations with Iran. In the same manner, what can undermine any negotiation can also compromise negotiations with Iran.

4.1 Negotiation is an Opportunity

The consequences of a war, as abovementioned, will be disastrous. The world has experienced enough misery to start a spiral of hatred and violence in such a delicate region. Moreover, it does not seem like a war, which could even last years, will definitely close the situation. Many issues will be unresolved, and many features will be partially suspended. As this is a human matter, humans are the answer. And putting forward expert negotiators instead of soldiers is exclusively a human choice.

The war in Iraq and other precedents in the last few decades have shown how miserable the search for peace can be. There is no chance of achieving peace by adopting violent means. Therefore, there is only one way to deal with the matter.

Negotiation presents some advantages. Not only is it a big opportunity to solve the problem forever, but also is the sole way. The way negotiation has been managed so far shows some
fundamental defects that involve the dialogue between the two sides. It will be analyzed how poor this dialogue has been, and how far from a positive path the two sides have been. The aim of negotiation is not a fast solution, but the common perception of upper interests that shall be respected, because far more important that the needs of any party.

At the same time, the beginning of a sound cooperation on some issues will be the base for dealing with future problems in a cooperative way. A good negotiation can avoid war, can improve communication, can establish cooperation, and link mutual assurances in a climate of reciprocal confidence. At the same time, perception of the players will change, and differences will become a point of strength instead of being a reason for destruction.

**The Fake Negotiation so Far**

Even though many sophisticated negotiators, diplomats and politicians have dealt with the issue, it can be argued that no real progress has been made. The reason why, after 30 years, no one has been able to achieve a little result is that any side has faced its counterpart, but no one has faced the issue.

Negotiation is a process that is made by two or more parties, aimed at coordinating themselves against a common issue. Their scope should be the creation of extra value. This value will enrich and characterize the relationship, and will consequently spillover in the two parties’ satisfaction. What has emerged, by the behaviour of the two sides, in the last few years, is the strong will of pressing the opponents in order to reduce its power of intervention in the issue. This is not the right mindset to solve a problem. The negotiation so far shows many mistakes that might be adjusted to find the right way to deal with the problem.

These mistakes are worth to be analyzed, as to define what should be set to put into action a viable negotiation framework. The first step, however, should be an examination of the current relationship between the Islamic Republic of Iran and Western countries.
The Current Situation

When we consider the Iranian counterpart, we generally talk of Western countries, or EU-3 + the US. Within this group there are different positions, and interests are not always matching each others. Moreover, some players, like the US, prefer a harder line, but, in the whole, the four countries can be taken all together as one side.

The Checklist

According to R. Fisher and S. Brown, any relationship can be examined using elements of a checklist, through which recognizing problems affecting a relationship.

The checklist is made by eight points (goal, general strategy, emotions, level of understanding, frequency of communications, reliability, persuasion, mutual acceptance). We will try to avoid schemes, by preferring a discourse on the matter.

As far as the goal the parties want to achieve, it can be argued that both of them are trying to win the relationship, instead of improving it. Their differences have been used to extend the gap between them, and the process for working together in the long term has never been directly faced.

The two parties have a general strategy that is applicable in the negotiation. Serious substantive issues affect the ability of working together, and are not faced directly. The accumulation of old problems may lead to a block in the dialogue.

Thirdly, the balance between rationality and emotions not always is well managed. Public statements of both parties show that grandstanding, political theater, and theatrical gestures are seldom preferred to professional behaviour.

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Moreover, the level of understanding is quite low. Although the two parties know each other, they prefer to deal with the counterpart’s position, avoiding any deep analysis and acceptance of perceptions, interests, values and motivations.

Much worse is the frequency of communications. The US and the Islamic Republic have formally broken official, bilateral contact during the US embassy hostage crisis in April 1980, and since then it has not been fully restored.

Reliability is another key word. So far none of the two sides has tried to be more worthy of trust. At the moment there is a total lack of mutual confidence, from almost all points of view. Coercion is preferred to persuasion. Sanctions are the demonstration that, hidden behind objective criteria, there is a system of threats and warnings. Moreover, Western countries carry out some “take it or leave it” proposals immediately before the issue is presented to the Security Council.

Lastly, there is a very weak mutual acceptance. Iran was defined as a member of the axis of evil, but, beyond rhetoric, no one recognizes the enormous potential of long term quality of this relationship.

In the end, should a mark be given to this checklist, not only could it be claimed that the relationship is very bad, but also that at the moment there is no way to improve it.

This assertion leads to the following point, concerning the concrete features of this bad relationship.

There are the four misbehaviours concerning the Iranian case which in the negotiation theory could be defined as mistakes and that will be considered later on. They consist in preferring sanctions to creation of value, the search for application of preconditions, threats, and weak incentives proposed at the wrong moment.
A deeper analysis might let us think that, as the two sides have deployed their best negotiators, probably there is a lack of interest, more than a lack of capability in working on the issue. Sometimes the two parties’ agents make simple obstructionism aimed at provoking the counterpart, and slowing down the procedure. This can be particularly useful in some cases, and is generally a consistent part of negotiation acting. Unfortunately, more than a tactic, it appears like a clear way to avoid any problem solving approach, and in that cases any further opening seems to become absolutely pointless. The relationship so far has shown that in many occasions a real negotiation has not been put into being. Although it might seem that many efforts were made, it can also be argued that an efficient negotiation is a totally different thing. In order to draw a real and effective approach to the issue, it is necessary to define the interests of the two sides. Although this point might appear very difficult, it is necessary to start the process that is the heart of any negotiation, which is creating values from opposing, or apparently opposing interests.

**Iranian Interests**

A key point to examine, before starting any analysis, is the following: it is important to make clear that behind this question lie the main interests of Iran, the same interests to be considered in a negotiation with other players.

Why would Iran want a nuclear weapon? Or, better, what does nuclear energy represent to the Islamic Republic of Iran?

There are various possible answers:

Nuclear power represents economic development

As stressed before, Iran is heavily dependent on a single type of products, oil, or hydrocarbons in general, and has been unable to diversify its domestic production. Therefore its economy
depends mainly on oil export, while it suffers from the need for continuous import of other products, even oil derivates, such as gasoline. The reason why Iran has no facilities to improve its oil management are due to bad concerns with western countries that, in the last few decades, have tried to control Iranian economy, as to impede its development. A country, especially after a revolution, when all weaknesses emerge, in a moment of need of help, becomes easy to control. It can be argued that this is the main reason why nuclear energy production is so important. Iran might maximize exports of oil and gas and thus its hard currency income by achieving the diversification that will consent the country to have an optimal management of internal resources.

Nuclear weapons represent prestige

Historically speaking, Iran has always aimed at becoming a regional power. It must be born in mind that many countries in the region, such as Israel, India, Pakistan and Russia possess nuclear weapons. Iran might become hegemonic in the region by acquiring nuclear technology while, at the global level, it would become a strong defender of the interests of the third world. Moreover, there is a general belief in the value of advanced technology, and a perception of nuclear power as a symbol of modernity.

Prestige would emerge domestically as well, and Iranian acquisition of nuclear technology would have significant political meaning, especially for the leader under which it is achieved. At the same time, this achievement would represent an important scientific success as well. It would be simplistic to reduce Iranian acquisition of nuclear weapons to an issue of national prestige, rights, or economic development. It has a deeper meaning, consisting in a strong impact on regional balances and stability, and the possibility of future armed conflicts’ outbreak, and it would change the military map of the whole region.
Nuclear weapons represent security

As the US is actively present in Iraq, Afghanistan, Pakistan, the Persian Gulf, Turkey and various countries of Central Asia, Iran feels surrounded by the US. Iranian fear of being the next country to be affected by the US is comprehensible. In this context, a nuclear deterrent would be providing the sufficient level of strategic security to keep other forces away from its borders.

The United States has many troops in Iraq and has been building permanent military bases there. It has extensive deployments in Kuwait, Bahrain and Qatar and controls the waters of the Persian Gulf and the Arabian Sea.

In Afghanistan, to the east of Iran, two permanent bases have been now established at Bagram near Kabul and at Kandahar. Moreover, a large new military base is being developed near the western Afghan city of Herat, close to Iran’s eastern border with that country. Finally, the United States has developed close military links and, in some cases, basing facilities in a number of countries to the north and east of Iran, especially those close to the Caspian Basin oil fields or pipelines that bring such oil through to Black Sea or Mediterranean ports.34

Nuclear weapons represent a negotiating tool

On one hand, nuclear capability would assure Iran a better negotia|al position with regards to other countries that could be used to end its isolation, for example by obtaining economic

incentives, collaboration in the non-military nuclear sector, and support for the WTO candidacy from the West.

Moreover, Iran cannot hope in any development or competitive modernization if it does not take advantage of foreign investments and a reduction in sanctions. On the other hand, Iran could gain more weight in the long lasting issue of the legal status of the Caspian Sea.

Nuclear weapons represent a way to complete a strategic policy

Opponents that Iran would like to control are close to Iran's national borders. Until a few years ago, the main adversaries on political and ideological grounds were Iraq and Afghanistan. Iraq was seeking the leadership of the Persian Gulf, while the Talibans in Afghanistan were promoting themselves as an alternative Islamic ideology. The developments in the last few years have transformed these two antagonists into potential areas of influence.

Iran's strategic policy can be considered as exclusively regional and, historically speaking, it is addressed toward the Persian Gulf and Central Asia.

The Persian Gulf represents the historical goal of Iran's strategic policy, because this area was seen as the natural zone of expansion for Iran's imperialism. Since Iraq has been eliminated as a player, the main adversary in the quadrant is Saudi Arabia, and although recently the two countries have improved their relationships, their concerns for most of the 1980's and 1990's have been very tense.

As far as Central Asia is concerned, especially the Caspian Sea, Iran exerted limited influence mainly because of its relationship with Russia. The Russian presence in the Northern part of the Caspian Sea has efficiently opposed other countries' expansion attempts, but, at the same
time, the increasing US presence in the area has led to much closer ties between Iran and
Russia.

After this brief list of Iranian interests, or reasons that are meaningful to the first player,
Western interests shall be considered as well.

**Western Interests**

In the last few decades Western countries have tried to exploit other countries’ resources,
such as human, natural and energy resources. Colonization was probably the main way they
managed to possess important lands, rivers, gulfs, and all those geographical and strategic
points that would reinforce the western domination, but it was not the only one.

Colonization was very expensive, and the rise of the civil rights and freedoms brought many
problems to the colonizers. That is reason why many regions, especially in the 20th century,
were touched by Western favours and proposals, more than direct occupation. In the end,
however, those who tried to establish their presence and to express their power through
influence were interested in local weakness.

That is why, at least at first sight, none of the five precedent Iranian interests is compatible
with western accession to these lands.

The West can easily deal with countries like Iran only on condition that Iran has a vested
interest in obeying to Western logics. Economic development, which might be assured by
autonomy in the energy sector, is something that, historically speaking, has always been
hindered by Western countries. If hydrocarbons had been well managed, Iran probably might
be totally autonomous. On the opposite, nowadays the lack of technical development creates
some enormous paradoxes.

To set some examples, it can be argued that one of the richest countries in oil in the World
needs to purchase gasoline from other countries because there are no refineries. Iranian
refineries are unable to keep pace with domestic demand, and face major infrastructure problems. The country plans to add around 985,000 bpd\textsuperscript{35} to achieve a refining capability of about 2.54 mbd of refining capacity by 2012, mostly through expansions and upgrades for gasoline yields at the Bandar Abbas, Bushehr, and the 90 years old Abadan refineries.

As far as diversification is concerned, the government has tried to promote the development of non-oil industries, especially the natural gas sector, to diversify its sources of income and also reduce the shocks to the economy deriving from oil price fluctuations. The lack of the necessary economic and technological infrastructure in many sectors remains an obstacle to overall growth, even if high oil prices mean that the Islamic Republic of Iran’s GDP has grown impressively in the last few years, chiefly due to high oil prices.

Buy-back contracts, the most diffused form of agreements between Iran and Western companies, are arrangements in which the contractor funds all investments, receives remuneration from NIOC in the form of an allocated production share, then transfers operation of the field to NIOC after the contract is completed.

This system has drawbacks for both sides: by offering a fixed rate of return (usually around 15%-17%), the National Iranian Oil Company (NIOC) bears all the risk of low oil prices. If prices drop, NIOC has to sell more oil or natural gas to meet the compensation figure. At the same time, companies have no guarantee that they will be permitted to develop their discoveries, or operate them. Finally, companies do not like the short terms of buy-back contracts.

Since 1998, of the 42 buy-back projects offered to foreign oil companies, less than 15 have reached the final stage of negotiations. Buy-back contracts are also comprehensive of

\textsuperscript{35} Billion Barrels per day
arrangements for technology transfer and competence development. However, NIOC does not pay the same attention to technology as to the costs of field development.

This sort of Western dominance, or dependence on Western capacities, has led to the block of any other activity when the major support from the US has vanished. Western countries were interested in dealing with a weak counterpart, which means a counterpart which had no prestige, no high security levels, no strong negotiating tools, and no applicable strategic policy. This sort of perfectly understandable reasoning is typical in the realm of politics, especially when the weak country detains the means to become very strong in a relatively short time. Iran, for the reasons abovementioned, has always had all the chances to become hegemonic in the Middle East, if only it were able to free itself from Western control.

Moreover, the West is interested in purchasing hydrocarbons at low price, and in defeating terrorism. Any unbalance in the region is perceived as dangerous for the world, because the consequences do rapidly extend to all world markets, and the pressure exerted on Iraq and Afghanistan has only partially solved the problem. Of course, the defence of Israel is key, in particular for the US, and especially after the harsh declaration of the Iranian President Ahmadinejad.

In conclusion, Western countries cannot deal with a completely independent Iran. They feel that there will be consequences both military and economic if Iran becomes so powerful to threaten Israel, the West, and the balance of oil market. The primary interest seems to be the control of the counterpart, that one day, if no longer controlled, will become the enemy, under any viewpoint: economic, political, military, strategic.

It seems an old fashioned idea, almost impossible to realize now that Iran is gradually finding its loopholes.
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<tr>
<th>Iranian Interests</th>
<th>Western Interests</th>
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<td>Economic development and Efficient management of hydrocarbons.</td>
<td>Deal with a weak counterpart (having had no prestige, no high security levels, no strong negotiating tools, and no applicable strategic policy.)</td>
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<tr>
<td>Become hegemonic in the region and Complete a strategic policy</td>
<td>Control the counterpart, contrast its hegemony, and avoid any unbalance in the region.</td>
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<td>National security</td>
<td>Defeating terrorism and protecting Israel</td>
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<td>Come out of isolation</td>
<td>Purchasing hydrocarbons at low price</td>
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<td>Dispose of a negotiating tool</td>
<td>Avoid proliferation</td>
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<td>International prestige</td>
<td>Not lose face</td>
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4.2 General Analysis of Current Negotiation

Once the interests of the two sides have been detected, it is necessary to define what is wrong and what are the reasons why some elements are wrong, and finally find out a possible solution to what we have defined a “fake” negotiation.

According to Professor Roger Fisher, a very useful scheme to deal with the issue is the four quadrant analysis for problem solving.\(^ {36}\)

According to this scheme, an action plan is the best way to attack the issue. The four quadrants define a path that defines four key moments, or features, of the negotiations. Defining in a proper way the four features is, in a sense, already an answer to the hinders of the relationship and the negotiation.

First of all one should find “what is wrong, by defining disliked symptoms, a preferred situation, and the gap between them.”

Secondly, one should make a “general diagnoses, by detecting the possible reasons why the problem has not been resolved or the conflict settled, and the possible causes of the gap in the first quadrant, about which somebody could do something.”

These two quadrants will be examined in this paragraph, while the first of the last two quadrants will be discussed in the next one. Quadrant three helps finding “general approaches, or possible strategies for overcoming the identified diagnoses, and the fourth quadrant, that cannot be examined in these circumstances, because strictly linked to concrete negotiating sessions, aims at finding action ideas, as to “put the general approach into action.”\(^ {37}\)


Wrong Elements

Negotiation is a procedure by which two or more sides try to create value from a disagreement, by using common or compatible interests. Once value has been created, and, as experts say, the “pie has been enlarged”, it will be much easier to share and allocate parts of the object of the negotiation.

Four main elements can be defined as wrong in Iranian relationship with the West, because they prevent the two sides from creating value. These are sanctions, weak incentives, preconditions and threats.

Sanctions Instead of Value

As far as the Iranian case is concerned, one can clearly see that so far value has not been generated. On the opposite, the procedure has produced sanctions. Sanctions are the first answer to the question “what is wrong?” for two reasons. Firstly, they have not inverted Iranian behaviour, and they have not produced the expected effects, at least from the point of view of the negotiation. Of course they have weakened the Islamic Republic, but have also affected the population, and have worsened the Iranian perception of the West and the International Organizations. In fact, Iran responded by condemning the UN Security Council Resolution 1747 and criticizing the Security Council, arguing that an inalienable right is at stake, and stressing that the resolution, which is under Article 41 of Chapter 7 of the United Nations Charter, cannot be enforced through the use of military means, and therefore cannot affect or limit Iran's peaceful nuclear activities. Moreover, Iran responded to sanctions by stating that Western countries have availed themselves of the IAEA and the UN as an instrument of their power. The negative relation between Iran and the US has turned into a
negative perception of the UN Security Council, and of the forces that have the power to balance its choices.

Secondly, such instruments are no longer functional, because the threshold of useful sanctions has been passed. In the last few years positive steps have not been taken, and any further sanction added to the precedents, would have a very little marginal effect.

What emerges from the first round of sanctions is that the Westerns countries have always tried to suggest Iran an alternative way to solve the issue, and that they are not always fully satisfied with the sanctions. This is because sanctions cannot give Western countries what they really need, and, on the other hand, can only exacerbate the tensions between the two parties.

An Empty Box Instead of Cooperation

Real cooperation is with no doubt the best way to have a joint approach to face the problem. In this case, however, cooperation was not proposed as a real incentive, something on which a long lasting union could be built. There is a general rule in negotiation theory, stating that each party, independently from the line of the other, and without expecting any result or openness from the other, should be unconditionally constructive. European diplomats, when discussing of the EU-3 2005 Package, a package in exchange for permanent cessation of enrichment that included various economic and technological benefits, admitted that the package was an empty box. It can be argued that this offer was not a real incentive to start negotiations.

Other offers seem to be an opening, but they are strictly connected to a much less positive logic.
Almost one year later, in June 2006, the five permanent Security Council members plus Germany (P5+1) offered Iran a package of incentives aimed at pushing the country to restart negotiations. These economic incentives included transfer of technology in the civilian nuclear field, in exchange for Iran to renounce permanently its disputed uranium enrichment programme, but no more than one month later the UN Security Council Resolution 1696 was adopted. These “take it or leave it” offers cannot produce effects in similar situations. Iranian negotiators are not keen to accept any last minute offer, especially if presented as a concession. The fact that an Iranian hard line meets an American hard line does not lead to any possible positive and successful outcome, especially if a “take it or leave it” offer is put on the table at the last minute. What should be avoided are the escalation and the bad faith between the two parties.

Iranian refusal should be followed by further diplomatic efforts, and not by sanctions that betray any positive approach, by depriving it of its significance.

Incentives and sanctions therefore are the two sides of a coin. The good power of incentives is nullified by contradictory behaviours and the Iranian perception of any move as a lie is, in a sense, justified. None of them, incentives and sanctions, can satisfy the interests of the two sides.

Preconditions

Iran declares that it will not follow the western opening if sanctions are not lifted. Sanctions derive from Iranian refusal to suspend uranium enrichment, which has been used as a precondition to talks. This is basically wrong because, according to the general theory, one side should not immediately ask for the object of the negotiation as a precondition to start a negotiation. On the opposite, that might be a final request after that a real negotiation process
has been developed. It is not surprising at all that Iran responds with a refusal, because by accepting a precondition to talks, it would limit its power in negotiation and would manifest a weakness toward a counterpart perceived as an oppressor that does not honour its commitments.

Threats

The West is increasingly disturbed by Iranian intransigence against it and its threats toward Israel. The recent declarations released by the Iranian President Ahmadinejad are not a reaction against sanctions, but contribute to raise the tension in a spiral leading to escalation, and possibly leading to war. The positive path is made of no threats, less tension, less preconditions and sanctions, diminution of the chances of rejection of the counterpart’s proposal, and real incentives and dialogue.

The Path of Mistrust

Relationships are made of a sequence of contacts that lead to sharing common energies, projects and feelings. These contacts, characterized of an exchange of information and experience, lead to a spiral of trust and reciprocal confidence. Confidence building is the base of any relationship, even if geopolitical logics can affect balances and create unforeseeable concerns.

The Iranian case, as seen above, has been very particular, because, beside geopolitical forces and needs, a real and constructive climate of confidence has never been achieved. Players have not been able of opening themselves to new solutions, believing that creative and courageous attempts to confidence building would limit their defensive strength.
The path followed so far can be defined as the “Path of Mistrust”, and the worst consequence of this negative spiral is that, if a change will not be brought in, sooner or later it will lead to a horrible crisis.

In this procedure, political, geopolitical, religious, military and economic reasons contribute to the creation of a problem that will not be manageable if not considering any issue separately. Of course, a complex situation can be managed only by separating the different plans of the matter and trying to face any issue as to simplify the whole picture.

The “Path of Mistrust” has strong historical roots, but it also finds its logics in the current exchange between Iran and the West. The escalation can be explained as follows:

Iran threatens an attack on Israel, adding historical and religious motivations that are not accepted by the international community. It cannot be excluded that this kind of behaviour depends probably on President Ahmadinejad’s political rhetoric, and that it might change with a more moderate government.

The West reacts to threats by underlying the dangers of an Iranian nuclear activity. The dual use becomes the real threat and the possibility of a military nuclear Iran shooting on Israel is perceived as more and more realistic. Sanctions are issued by the UN Security Council, under US and European pressure. International organizations like the IAEA are called to a deep analysis of the phenomenon, and support the Western cause.

Iran answers by perceiving that the West, in an illegitimate way, is pointing the finger at the Islamic Republic charging it with accusations that are not supported by evidence. The IAEA becomes a legalized tool to spy on and control Iranian programs, and it is perceived as an instrumentalized weapon in the hands of the US and the EU.

At the same time Western countries, in order to provide an image of cooperation and dialogue, propose incentives immediately before voting for sanctions. Not only feels Iran
pressure deriving from the lack of time, but also perceives the move as a misleading maneuver to push Iran to a fast “take it or leave it”. Such an option cannot be accepted, especially because Iran is availing itself of its right to technical research. The Iranian argument clashes against the Western request, and the only possible answer, in this fake listening of the counterpart’s needs is a firm and politically justified rejection.

The West sees no new alternatives, and keeps on putting forward a negative image of Iran. After the first round of sanctions was issued, the probability of continuing on the same path was constantly growing. Israel showed self confidence and the intention of finding its position by using power. The West accused the threats and proposed new sanctions and incentives, with the same result. In the meantime the threshold of sanctions was passed, and Iran started to see no good reason for inverting its direction toward the western options.

The escalation goes on, unless one of the players does not reach the break point, the point of no return, where it feels it is obliged to put into actions all the behaviours it had previewed. In the end, after new rounds of sanctions, war becomes a probable option.

**General Diagnosis**

The general diagnosis detects “the possible reasons why the problem has not been resolved or the conflict settled, and the possible causes of the gap in the first quadrant, about which somebody could do something.”

Basically there is a lack of reciprocal confidence between the two parties deriving by historical reasons. This affects any other issue. Threats are not a good premise for dialogue. The isolation of the Islamic Republic and the sense of weakness that derives from it do not help in finding alternative ways to a head to head with the West.

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Nuclear energy, as explained before, is double use. It means that it can be used both for civil and military scope, and the only way to check Iranian intentions is the official role of the IAEA. At the same time the lack of confidence is extended also to international organizations that are believed to be instrumentalized, along with the NPT and its Additional Protocol, not yet ratified by the Islamic Republic.

Moreover, although incentives might represent a good push to start a path leading away from isolation, nuclear self determination is more important to Iran on a regional level, therefore any proposal should be much more concrete in order to become an effective BATNA to Iran. Lastly, both parties have problems of reputation and responsibility for international safety. Accepting a western proposal means a defeat on a diplomatic level, unless the Western side will create an option that will “save the face” to the Iranian counterpart.

These are the reasons why the first quadrant is so rich of contents. There are some underlying values, past experiences, and future developments that cannot be put aside, at least in principle.

The positions claimed by the two parties are made of basic interest, covered by a mix of these elements. In the end, any further proposal following the old schemes will necessarily lead to an already known answer. The general climate will not benefit from that, the international situation might be affected by harsh declarations, and new sanctions might be issued, while Iran pursue of military nuclear might secretly make big progress.

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### 4.3 Change the Game

Are the two sides’ interests really incompatible? Is war really the only outcome of a weak dialogue? The effort of any negotiator consists in finding a common ground, and after that trying to create value, making the most for its side from the outcome.

In order to make the most from any encounter both sides should pay attention to many features avoiding any crystallization of the dialogue into rigid positions. Restoring a climate of confidence toward International forums is one of the first steps to take, affecting not only the bases of reciprocal trust, but also the procedures that in the future might be observed during the establishment of a mutual cooperation. Therefore, defining ideals of justice and avoid legal ambiguities, applying mutually agreeable criteria is crucial.

Some basic concepts that can be applied in order to “change the game” and start a positive relationship between the two sides are the following: these points are aimed at inverting the “Path of Mistrust” discussed above and leading to war.

**Negotiate**

The first move is negotiating with the other players involved. It is always worthwhile to sit at the table for discussions especially because long silences have characterized the relationship so far. Of course, the same rule is applicable to Iran. After twenty-seven years of uninterrupted hostility, one may think that any attempt is hopeless, and that the counterpart is so evil, dangerous and irrational that there is nothing to gain from negotiations, and that further attempts will lead to rhetoric, accusations, and untruths.

As explained before, considering the negative aspects of the counterpart as predominant will turn a perception into a self-fulfilling prophecy.

When the counterpart in a negotiation perceives the way it is seen, it will quickly adapt its tactics accordingly. This negative view of Iran and Iranians, spread by politicians and by the
media, also excludes the possibility that negotiating could be the method of changing relationship of mutual grievance, hostility, and suspicion into something more productive. The United States, for its part, after negative and unconstructive behavior, has imposed sanctions, encouraged other countries to do the same, and threatened with military action. The benefits deriving from dialogue, in the short term, are not and will not be the production of immediate and positive results. On the opposite, it is likely that even bigger differences and obstacles will emerge but, at the same time, both sides will find a common ground in which common interests are clearly identified.

**Lift Sanctions and Embargo, Starting From a Zero Option**

As explained before, preconditions are not a good way to start a dialogue. Iran, in this case, was repeatedly requested to adopt a behaviour consisting in suspension of uranium enriching activities during the whole time of the negotiation. Iran response was favourable in one occasion, but in general it can be argued that the start of talks was conditioned to the suspension of what Iran considers one of its main rights, and that coincides in part with the result pursued by the West. Dialogue in negotiation is supposed to be developed on conditions of parity and equal opportunities. Moreover, the scope of dialogue is not convincing the counterpart of the strength of an argument, but to listen actively and discover elements that can allow the building of a bridge between the two sides. As dialogue is supposed to be developed between equals, preconditions shall not be considered. Furthermore, the act of talking and starting to build a relationship, although difficult, cannot match the concepts of sanctions and embargos issued by the counterpart. It is true that talks are strictly tied to the common issues shared by the two sides, but in a sense, they are a moment out of time, probably including a third party as a mediator. In conclusion, there can be no positive result if not by lifting sanctions and treating the counterpart like somebody that is going to be
understood. Any sanction will slow the dialogue, and will be probably used as a negotial weapon against the counterpart.

Starting from a zero level is a gesture of great diplomatic openness and trust. By acting this way, the West will manifest its perception of the issue by lowering its guard and reconsidering Iran as a player potentially no longer isolated in the international community. Nevertheless, this choice requires a high level of fortitude and a sound agreement between the US and EU.

**Understand the Counterpart. Discover Iranian National Interests**

The Western side might presume that the Iranian national interest is made of some basic and general elements. Among these, for example, a strong economy, reduced pressure from the other countries, independence, prestige, respect, freedom of influencing other players in the region, and, of course, nuclear civil plants that might support an overall change.

It must be also taken into consideration that, even though one can presume or interpret the counterpart’s needs, the only way to have a clear hierarchy of the other side’s interests is to ask. This is particularly true when one has to deal with a country, like Iran, that presents many powerful subgroups and factions, and that is characterized by a division of powers between the President and the Ayatollah.

Therefore, misreading Iranian interests might lead to serious problems. The Iranian representative knows very well what serves his national, partisan, family, and personal interests, but a foreigner coming at the table with a pre packaged offer, aimed at meeting the whole range of presumed expectations, may anticipate and contradict Iran’s national interest.

The only way to make a good negotiation is to let the other side explain its perception of the matter. That is the way the two sides can establish two different hierarchies and compare them.
In order to make an example, the EU-3 Package named “Framework for a Long-Term Agreement” presented to Iran on August 5, 2005 can show how a pre packaged offer could be absolutely useless if not supported by real dialogue and understanding.

The EU-3 Package offered a guaranteed supply of fuel for Iran’s civilian reactors, as long as they were fully supervised by the IAEA. It was also comprehensive of an agreement for European companies to build a nuclear power station besides the Russian-made Bushehr reactor, but as long as Teheran allowed extremely intrusive IAEA inspections. It included trade clauses, conditional access to the World Trade Organization, and economic cooperation. Moreover, a not well defined support in terms of security cooperation on energy matters, Iraq and Afghanistan, as well as the fight against terrorism and drug trafficking.

In general it can be argued that this document is vague on incentives and heavy on demands. It proposes new processes of further dialogue with the potential for cooperation in a number of areas, but few concrete offers. The demands upon Iran in contrast are specific and uncompromising. The language and speed of the Iranian response suggests they either feel betrayed by the EU-3’s perceived failure to offer more significant incentives or that they had predetermined to reject any offer which did not show flexibility on the crucial question of uranium enrichment. In any event, the proposal is not impressive. Given that the demands was aimed at pushing Iran to opt for the most extensive and complete shut-down of its current nuclear fuel cycle activities, the document appears designed to fit closely with US requirements. Although the document talks of building trust between Europe and Iran, there is little within it that offers a great deal of trust at this stage, even when that trust would not require significant risk. Even the establishment of a buffer store of nuclear fuel is proposed to be physically located in a third country, rather than in Iran under safeguards. The EU-3 do not seem to have had the courage to offer either the substantial, detailed incentives or a creative,
compromise solution on enrichment which could reasonably have been expected to receive Iran's endorsement. Here follow the offers and the demands.

The offers

The significant EU incentives are:

1. Granting access to "the international nuclear technologies market where contracts are awarded on the basis of open competitive tendering" to which Iran has so far been excluded and allowing Iran to export nuclear technology under certain controls.
2. A draft EU-Iran Trade and Cooperation agreement and Political Dialogue Agreement.
3. An assured supply of nuclear fuel for Iranian reactors from Russia based on an unspecified framework to be negotiated.
4. Unspecified support for the development of Iran's civil nuclear programme, and negotiations on an agreement between Iran and EURATOM.
5. A general commitment to work with Iran to develop regional security arrangements and confidence-building measures, which could prove of value to Iran.
6. Continued support for Iranian accession to the WTO.

The demands

In contrast, the demands made are more clear and specific:

1. That Iran makes "a binding commitment not to pursue fuel cycle activities other than the construction and operation of light water power and research reactors." This means no uranium conversion, or enrichment, no fuel reprocessing and the closure of the heavy water reactor at Arak. The EU-3 clearly recognizes that this implies the shut-down of major facilities including Natanz and Isfahan, and the loss of a substantial capital investment, so promises to
“establish a group to identify alternative uses for the equipment, installations, facilities and materials”.

2. Resolution of all questions raised under Iran’s Safeguards Agreement and Additional Protocol, and continued cooperation with the IAEA, with all facilities under safeguards under all circumstances.

3. Ratify the NPT Additional Protocol by the end of 2005, and in the meantime to fully implement it.

4. Agree to arrangements for the supply of nuclear fuel elements from outside Iran and their return to the supplier after their use in the reactor.

5. Strict national export controls under UNSC Resolution 1540 based on international norms, with assistance from EU officials in setting up procedures.

6. A legally-binding commitment not to leave the NPT.

While many EU demands are reasonable, the main obstacle remains the demand to stop all fuel-cycle activities. If the EU considered a compromise upon this particular point in return for compliance with other demands, the negotiations would be easier.

As far as Iran is concerned, the official Iranian response to the Framework Agreement was given in a hard and undiplomatic language containing no conciliatory statements. It adopts a hard line from start "The proposal presented by the EU-3 on August 5, 2005 is a clear violation of international law and the Charter of the United Nations, the NPT, Teheran
Statement and the Paris Agreement of November 15, 2004" to conclude "It amounts to an insult on the Iranian nation, for which the E3 should apologize". 40

Defence as the Islamic Republic’s Priority

Iran’s leaders perceive foreign presence as pressing, and believe to be surrounded by enemies. In particular, they see American military forces in Afghanistan, Iraq, Turkey, and the Persian Gulf, perceived as determined to overthrow the Islamic Republic, using other countries’ support. Iran also sees hostile Sunnis in Saudi Arabia, Afghanistan, Pakistan, and elsewhere, hostile Arabs to the south and west, hostile Turkish peoples to the west and north, nuclear armed states in India, Pakistan, and Israel, and hostile Azeri irredentists to the north and Kurdish separatists to the west. Although many of these players are not a concrete and immediate threat, the Iranian perception of the phenomenon remains the most important element. It is probable that, under these conditions, and suffering from all of this perceived pressure, the leaders of Iran will opt for a hard line.

Western negotiators will have to deal with suspicion and mistrust from its counterpart, that assumes that America’s aim is to immobilize the Islamic Republic. Iran has a very complex and delicate diplomacy that can be explained only by knowing deeply the history and the balances of power in the Middle East. The most linear behavior in this case consists in convincing and reassuring the Iranian side that a future agreement will not be incompatible with its

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preexisting diplomacy, that it will not destabilize the Islamic Republic and that will help it survive.

In general it can be argued, as an example, that Iran and the US tried to enhance cooperation on Afghanistan in 2001. The two countries could benefit from the downfall of the Taliban and from its replacement by a non anti-Shia and anti-Iranian government. In the case of Iraq, the Islamic Republic shares the American aversion to an Iraq dominated by Sunni extremists, or an Iraq under a new leader like Saddam Hussein.

**Establish Objective Criteria**

Establishing objective criteria free of legalisms is very important. Of course, in negotiation legal arguments have their relevance, but a distinction must be made between legal arguments, tied to the concept of right and wrong, and negotiation elements, linked to value creation. Moreover, this rigid feature of negotiating style has affected the Islamic Republic for a long time, and is one of the causes why the two parties seem to talk at cross purposes. In fact, the Islamic Republic has had a controversial relationship with the law and legal issues. In its earliest years, the new authorities took drastic steps to eradicate the European-based legal system it had inherited from the Pahlavi era (1925–79) and tried to replace it with something in accordance with Shia religious law.

Therefore, as a general rule, it is key to establish objective criteria in a negotiation. The Islamic Republic, particularly in its most revolutionary and ideological moods, has often regarded international law as a pretext for foreigners to cheat Iranians, because treaties have proved that international law was simply a political device to enforce Western control.

A negotiation is supposed to be not a zero sum game, but a win-win game, where one group’s victory is not necessarily leading the other group to defeat.
Once Iranian interests are detected, any western proposal shall be presented as an asset for Iran, instead of conforming to some abstract notion of legality.

In a long term vision, a wise negotiator should look for unambiguous and mutually agreeable standards upon which to base future talks. The important question that negotiators shall ask to themselves and to each other is not “do you believe this is right?” but “what does it represent to you?” It is clear that different cultures require different approaches, and that, in case of doubt, the most efficient technique is asking to the counterpart its motivation.

A lack of Iranian interest in legal features may at first suggest that the Iranian side is ignoring objective factors, and that Iran is cheating in order to bypass important features, such as the legal content of treaties. It must be born in mind that the true motives of the Iranian side in a negotiation will sometimes be difficult to comprehend. Those motives include political, personal, financial, and ideological features that cannot always be faced with legal instruments.

**Maintain Incentives to Stimulate Iranian Interest**

Incentives are an extremely efficient element in a negotiation for two reasons. Firstly, they stimulate the counterpart and create a link between theory and practice. Through incentives one side calls the other to concrete options on the table. Secondly, they define the real offerer's will to bind himself on the basis of a future agreement. Incentives have been always used as a way to measure the level of interest of the proponent, and if well used are the best way to set a negotial scheme to build up the basis of the whole process.

The 2005 EU-3 Package was offered in exchange for permanent cessation of uranium enrichment. The Package included various economic and technological benefits. As abovementioned, it was considered by some European diplomats as an empty box, and Iran rejected the offer. There was nothing wrong in the system of incentives proposed by the EU,
especially for trade incentives, including membership in the World Trade Organization, and economic cooperation, which meant the end of Iranian international isolation. Moreover, the EU-3 Package offered a nuclear cooperation between the EU and Iran. Probably the basis of the proposal was not wrong, but the sense of the Western requests was the general control of the Iranian nuclear sector. Of course one might see the risk of appeasement in a too generous offer, but it must be born in mind that incentives are part of a broader agreement, and that they generally melt in the content of higher values created in the negotiation. Therefore, according to the line followed so far, economic incentives aimed at ending Iranian isolation, along with the end of sanctions might be the first step to see how Iran will react. Talking with a player engaged in international organizations, such as the World Trade Organization, is easier than talking with a suspicious and isolated country.

The P5+1 2006 Package consisted in a similar offer, and this did not change the Iranian answer. Incentives, all in all, were not bad, but the fact that Iran halted its nuclear activities was still a precondition to restarting talks. The Iranian refusal is probably linked to a sort of rigidity of Iranian leadership, but also to the logics that were behind western offers.

**Understand the Two Sides’ BATNA**

One of the key concepts in negotiation’s theory is the BATNA, or the Best Alternative To a Negotiated Agreement, a concept introduced by Professors Roger Fisher and William Ury. The BATNA is “the standard against which any proposed alternative should be measured.”\(^{41}\) Being aware of the counterpart’s BATNA is very important, although generally very difficult. In fact, presuming or predicting what range of alternatives the other side has, and how it perceives them, is almost impossible.

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It may happen that the Iranian counterpart may be afraid to make any agreement, convenient or not, because of open criticism from political friends or adversaries. Collaboration of Iran with the foreigner can be interpreted as weakness. Some historians, for example, argue that Prime Minister Mossadeq rejected compromise settlements of the 1951–1953 Anglo-Iranian oil nationalization dispute because his domestic political opponents were ready to accuse him of surrendering to foreign interests. As a consequence, Iranian domestic politics forced Mossadeq into taking self-destructive actions.

In general, however, BATNA is something that must always be considered, because knowing the counterpart’s alternatives helps balancing the two sides’ expectations. It is a fundamental part of preparation, probably the heart of the pre-negotiation phase.

From an Iranian point of view, an agreement with the West to come out of international isolation has a big value. The alternative, if the conditions are perceived as too tight, might be no agreement at all, or a deal with other players, such as Russia, China, or other Asian countries. This alternative might be risky, because it would aliment suspects on Iranian aggressive intentions, and therefore push the West to issue further sanctions. This is a good reason why developing a climate of trust might enlighten the option of an agreement, excluding the alternatives, especially those who lead back to the “Path of Mistrust”.

If Iran was really building a nuclear arsenal, negotiating would mean taking time in order to halt its uranium enrichment activities. Therefore, Iran would be less interested in reaching a negotiated settlement than in gaining time. A delaying strategy cannot be excluded, and it is a good reason to improve dialogue and speed up negotiations.

From the Western point of view, instead, currently there are no further options, besides cooperation and sanctions. If the West is really determined to start an effective procedure,
and then negotiate on shared interests, any alternative leading back to sanctions, recriminations and threats shall be avoided.

In conclusion, it seems that there is only one way leading to a positive approach to the issue. Any other alternative seems a step back to the "Path of Mistrust".

Probably if the risk of a war was real, there might be no BATNA, for none of the two sides.

**Start Real Cooperation Leading to Mutual Trust**

Generally complex issues cannot be faced as a whole. They need to be analyzed, as to detect smaller single issues. Divisions can be made on different principles. For instance, religious features shall be separated from economic features. Considering the form of government of the Islamic Republic, however, hardly can religion be separated from the law, but in general it can be argued that single issues offer a wider possibility to find solutions. Once single solutions are found, one can start to measure their level of compatibility in order to include some of them in the global solution. Moreover, for the two sides, looking at the list of issues resolved and noticing that some of them have been gradually crossed out, because resolved, helps facilitating the agreement on those that left. According to this principle, cooperation might be developed on single fields, considered independently, and therefore not affecting each other. Economic cooperation might be successful or not, but it should not affect, for example, political cooperation in multilateral diplomacy. At the same time, these fields should be independent from scientific cooperation and future, hypothetical, cultural cooperation. In this view, any progress in a field might affect the global vision of the relationship. Of course, an overall perception of the relationship never should be lost. On the opposite, difficulties in a field, such as scientific cooperation, that might create misunderstanding that require further negotiations, will not affect other fields, and therefore will not generate dangerous deadlocks.
Trust can be independent from the object of the deal. Trust is a feeling, and its importance must be built in any feature of a relationship, because mistrust in a not extremely important feature might extend to other fields, and affect the general perception of the counterpart, leading to focusing on the persons more than on the problem.

**Work on Positive Features, Reduce or Exclude Rejection**

Once that cooperation has started on several fields, a quantitative approach might flank a qualitative approach. In this phase of the negotiation, some important chances should have already been given to cooperation. The two sides should now find interesting a shared work on those features that are more probably leading to a positive outcome. Generally, in a relationship, detecting which features are more manageable than others is not difficult. Positive features lead to further positive outcomes. This is not necessarily linked to big multimillionaire agreements. The philosophy of small steps is more adapt to finding fast and not excessively binding solutions. In this position, the two sides will no longer tempted of saying no to proposals. Broad cooperation can exclude rejection.

**Start Creating Value**

Once quantity has reached quality, and in the relationship both have started growing, the most important phase can be faced. If the two sides have built a climate of reciprocal trust and are involved in several cooperations requiring dialogue and respect, creation of value will not be too difficult. In a sense, the creation of value might be spontaneous, deriving from the working basis put into being until that moment. Creating value means that, for example, economic and technological cooperation might be used to align interests. Once cooperation starts, the only way to maintain it is respecting the counterpart as a necessary player, whose contribution is indispensable for achieving the common task. If the two sides have discovered
their common superior interests, it will be easy that broader solutions will be found in a
general framework. It is possible that in this phase, as the pie is being enlarged, many centers
of interest will be called at the table, in order to express their point of view on single issues. In
fact, after the general framework is outlined, all possible technical features emerge, and these
require participation of new players. In this sense, Bonyads, Bazaaris, businessmen, religious
leaders, industrialists might be necessary to discuss advantages and disadvantages deriving
from a partial agreement. The negotiation becomes a way to link the layers of the society.

Review the Procedure and Turn the “Path of Mistrust” the Other Way Round

If the procedure has been developing this way, it is probable that Heads of State and
Governments will no longer being talking about sanctions and war.

Iran no longer will threaten an attack on Israel. The West will have no reasons for reacting to
threats. The dangers of an Iranian nuclear activity might have been put away. The dual use is
incompatible with the new credibility Iran is gaining in the International arena. Sanctions are
no longer an option, because the West cooperates with Iran in several fields.

The IAEA develops its work and is broadly accepted as a neutral body guaranteeing safety on
equal basis. Iran will continue to avail itself of its right to technical research, coordinating it
with other countries’ technologies. The West no longer put forward a negative image of Iran.
Israel shows growing confidence and its position in the Middle East is not jeopardized by Iran.

The positive “Path of Trust” leads to a new balance in the Middle East, where Iran collaborates
with the West on features that spill over in the economy. The wellbeing of the population is
improved, and the oil market is more stable, not suffering from sudden fluctuations.
Israel feels itself no longer threatened, and, as the Islamic Republic of Iran is managing a new
regional balance between the Caspian Sea and the Persian Gulf, concerns between Israel and
Iran will be positive again, as it was before the 1988. The Talibans are a common issue again, and the cooperation includes military and logistic support against them.

Do not Provoke Israel and Soften the Tone

The main consequence of abovementioned openings should be the end of formal threats. A normalization of Israeli-Iranian relations shall be developed by the Heads of State and Government, especially whether sufficient publicity will be given to new projects and cooperations. The softening of the tones might be extremely important, because public opinion would not understand any step back to the old political line. Especially when the time of the presidential election in Iran comes, and the chance of a new president rise, there are good possibilities that unexpected maneuvers will be avoided by both sides. Once that the Israeli perception of the problem will be changed, and the Iranian statements against Zionism will be put aside, the way to a broader balance in the Middle East will be opened. Since that moment, cooperation between Iran and the West will become really useful, because it will be aimed at translating the confidence achieved into a general overall balance in the region. Probably new multilateral summits will be necessary, but in the end the balance of the region might be decided by those countries that are the region, excluding superpowers that have still a strong link with the Middle East, but that have no direct answers to its needs.

However, the West might prefer the outcome of the elections of June 2009, as to be in condition of speaking with a more moderate President, who might develop a dialogue on a broader basis.

Consider History. Restart

History is very important to a country that was a world power and that has had the glory of an empire. Iranian history, however, also embraces difficult and tragic events. In the eighteenth
century, Iranian power declined. Great Britain, Russia, and the United States started to manifest interest toward Iran. In the nineteenth century foreigners gained control of Iran’s finances and oil resources. Iran had to deal with bankruptcy, military defeats, and losses of territory and authority. In 1907, with the Anglo-Russian treaty, the two countries formally divided Iran into spheres of influence. During the two world wars the country was occupied, foreigners supported separatist movements, and overthrew Prime Minister Mohammed Mossadeq’s nationalist government in 1953, resolving the matter of the nationalization of the Anglo-Iranian Oil Company. As far as the twentieth century is concerned, one can also remind the Islamic Revolution of 1979 and its violent aftermath, including the Iran-Iraq War of 1980–1988.

Iran seems available to improve dialogue with its Arab neighbours. In fact, although Arab countries like Saudi Arabia and most of the Persian Gulf states supported financially Saddam Hussein’s Iraq during the 1980–88 war, Iran is available for making efforts to establish good concerns with them.

Perception of the past can be put aside if some larger interest has to be met, but underestimate the counterpart’s past cad lead to a rise in hostility. Perhaps the most important feature to consider is the behaviour of Western countries that should avoid any postcolonial imperialistic attitude.

**Dialogue can be Creative. Avoid the War**

In the end, the process of negotiation can match with a coherent historical basis. One should not expect results above the realistically foreseeable possibilities, but good features of preexisting relations between the West, including Israel, and Iran, can be resumed. History of the Islamic Republic of Iran is made of balances between the search for a leadership position in the Middle East and the delicate relationship with Israel on one side, and Arab
countries on the other. Historically speaking, there is no reason why Western countries should adopt an aggressive position toward Iran. Although Iran, in the past, has seldom threatened Israel and promised the achievement of nuclear power, concerns in the Middle East have been led by geopolitical reasons that are far beyond the simple act. Today, probably, balances are changing, and nuclear capability is a really important issue. Double use makes any country detaining nuclear power a possible enemy of safety and peace, and a sound control on countries like Iran shall be kept, even though confidence building requires trust, and good negotiations require being unconditionally constructive.

Dialogue, however, can work, and it can be the only way to sort out of misunderstandings. Experienced negotiators have a sound knowledge of history of Middle East, and they can find strong relations between the current situation, geopolitics that explain the history so far, and conditions on which scenarios can be imagined. Dialogue, although following the track of history and geopolitics, can be creative, because it can use human perceptions of the issue, values that players want to create, and the projection of the world as it might be tomorrow. This is not a mere rational operation. Often humans are not led by rational motives. On the opposite they prefer to follow their irrational components that make them more risk takers. At the same time, many human processes cannot be developed without a creative approach that derives from that irrational component. Therefore, although negotiation can be seen as a calculation, there is much of that inexplicable human perception of the others and the world. War seems a crazy illogical solution to a long standing problem, but in the end reveals to be a rational choice, decided on rational parameters. On the opposite, peace obtained by negotiation seems to be rational because it follows abovementioned rules and procedures, and analyzes geopolitical balances and historical facts, but actually is based on a far more illogic and creative line.
Conclusion

There is no reason why elements that work in any negotiation should not work in negotiations between the West and the Islamic Republic of Iran. However, even though a real negotiation was eventually carried out, and though the two sides were really concerned about the outcome, an agreement might not be found. The above guidelines cannot guarantee productive contacts and successful results. These depend mostly on the skills of the negotiators and on the guidelines provided by their governments. To define carefully what is successful and productive in such a negotiation is fundamental. In the short term, as abovementioned, sitting at the table with a strong preparation about the counterpart, but free from accumulated rancor and rhetoric would be extremely productive. In the medium term the outlined principles should be applied, as to create the confidence atmosphere that might lead to a long lasting settlement.

In the end, if efforts were made in order to develop dialogue, the risk of a deadlock, or what is worse, of a war, can be avoided. The change required in the relation between the West and the Middle East is one of the great changes of our century. It is, however, a very long path, but the main players have to change the game, first.

“A journey of a thousand miles begins with a single step.”

42 Confucius
Appendix

Maps of Iran

Source: http://media-2.web.britannica.com/eb-media/82/72782-004-0D1724AD.gif
Source: http://geology.com/world/iran-map.gif
Treaty on the Non-Proliferation of Nuclear Weapons

Signed at Washington, London, and Moscow July 1, 1968
Ratification advised by U.S. Senate March 13, 1969
Ratified by U.S. President November 24, 1969
U.S. ratification deposited at Washington, London, and Moscow March 5, 1970
Proclaimed by U.S. President March 5, 1970
Entered into force March 5, 1970

The States concluding this Treaty, hereinafter referred to as the "Parties to the Treaty",

Considering the devastation that would be visited upon all mankind by a nuclear war and the consequent need to make every effort to avert the danger of such a war and to take measures to safeguard the security of peoples,

Believing that the proliferation of nuclear weapons would seriously enhance the danger of nuclear war,

In conformity with resolutions of the United Nations General Assembly calling for the conclusion of an agreement on the prevention of wider dissemination of nuclear weapons,

Undertaking to cooperate in facilitating the application of International Atomic Energy Agency safeguards on peaceful nuclear activities,

Expressing their support for research, development and other efforts to further the application, within the framework of the International Atomic Energy Agency safeguards system, of the principle of safeguarding effectively the flow of source and special fissionable materials by use of instruments and other techniques at certain strategic points,

Affirming the principle that the benefits of peaceful applications of nuclear technology, including any technological by-products which may be derived by nuclear-weapon States from the development of nuclear explosive devices, should be available for peaceful purposes to all Parties of the Treaty, whether nuclear-weapon or non-nuclear weapon States,

Convinced that, in furtherance of this principle, all Parties to the Treaty are entitled to participate in the fullest possible exchange of scientific information for, and to contribute alone or in cooperation with other States to, the further development of the applications of atomic energy for peaceful purposes,

Declaring their intention to achieve at the earliest possible date the cessation of the nuclear arms race and to undertake effective measures in the direction of nuclear disarmament,

Urging the cooperation of all States in the attainment of this objective,

Recalling the determination expressed by the Parties to the 1963 Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water in its Preamble to seek to
achieve the discontinuance of all test explosions of nuclear weapons for all time and to continue negotiations to this end,

Desiring to further the easing of international tension and the strengthening of trust between States in order to facilitate the cessation of the manufacture of nuclear weapons, the liquidation of all their existing stockpiles, and the elimination from national arsenals of nuclear weapons and the means of their delivery pursuant to a Treaty on general and complete disarmament under strict and effective international control,

Recalling that, in accordance with the Charter of the United Nations, States must refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any State, or in any other manner inconsistent with the Purposes of the United Nations, and that the establishment and maintenance of international peace and security are to be promoted with the least diversion for armaments of the world's human and economic resources,

Have agreed as follows:

Article I

Each nuclear-weapon State Party to the Treaty undertakes not to transfer to any recipient whatsoever nuclear weapons or other nuclear explosive devices or control over such weapons or explosive devices directly, or indirectly; and not in any way to assist, encourage, or induce any non-nuclear weapon State to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices, or control over such weapons or explosive devices.

Article II

Each non-nuclear-weapon State Party to the Treaty undertakes not to receive the transfer from any transferor whatsoever of nuclear weapons or other nuclear explosive devices or of control over such weapons or explosive devices directly, or indirectly; not to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices; and not to seek or receive any assistance in the manufacture of nuclear weapons or other nuclear explosive devices.

Article III

1. Each non-nuclear-weapon State Party to the Treaty undertakes to accept safeguards, as set forth in an agreement to be negotiated and concluded with the International Atomic Energy Agency in accordance with the Statute of the International Atomic Energy Agency and the Agency's safeguards system, for the exclusive purpose of verification of the fulfillment of its obligations assumed under this Treaty with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices. Procedures for the safeguards required by this article shall be followed with respect to source or special fissionable material whether it is being produced, processed or used in any principal nuclear facility or is outside any such facility. The safeguards required by this article shall be applied to all source or special fissionable material in all peaceful nuclear activities within the territory of such State, under its jurisdiction, or carried out under its control anywhere.
2. Each State Party to the Treaty undertakes not to provide: (a) source or special fissionable material, or (b) equipment or material especially designed or prepared for the processing, use or production of special fissionable material, to any non-nuclear-weapon State for peaceful purposes, unless the source or special fissionable material shall be subject to the safeguards required by this article.

3. The safeguards required by this article shall be implemented in a manner designed to comply with article IV of this Treaty, and to avoid hampering the economic or technological development of the Parties or international cooperation in the field of peaceful nuclear activities, including the international exchange of nuclear material and equipment for the processing, use or production of nuclear material for peaceful purposes in accordance with the provisions of this article and the principle of safeguarding set forth in the Preamble of the Treaty.

4. Non-nuclear-weapon States Party to the Treaty shall conclude agreements with the International Atomic Energy Agency to meet the requirements of this article either individually or together with other States in accordance with the Statute of the International Atomic Energy Agency. Negotiation of such agreements shall commence within 180 days from the original entry into force of this Treaty. For States depositing their instruments of ratification or accession after the 180-day period, negotiation of such agreements shall commence not later than the date of such deposit. Such agreements shall enter into force not later than eighteen months after the date of initiation of negotiations.

**Article IV**

1. Nothing in this Treaty shall be interpreted as affecting the inalienable right of all the Parties to the Treaty to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in conformity with articles I and II of this Treaty.

2. All the Parties to the Treaty undertake to facilitate, and have the right to participate in, the fullest possible exchange of equipment, materials and scientific and technological information for the peaceful uses of nuclear energy. Parties to the Treaty in a position to do so shall also cooperate in contributing alone or together with other States or international organizations to the further development of the applications of nuclear energy for peaceful purposes, especially in the territories of non-nuclear-weapon States Party to the Treaty, with due consideration for the needs of the developing areas of the world.

**Article V**

Each Party to the Treaty undertakes to take appropriate measures to ensure that, in accordance with this Treaty, under appropriate international observation and through appropriate international procedures, potential benefits from any peaceful applications of nuclear explosions will be made available to non-nuclear-weapon States Party to the Treaty on a nondiscriminatory basis and that the charge to such Parties for the explosive devices used will be as low as possible and exclude any charge for research and development. Non-nuclear-weapon States Party to the Treaty shall be able to obtain such benefits, pursuant to a special international agreement or agreements, through an appropriate international body with adequate representation of non-nuclear-weapon States. Negotiations on this subject
shall commence as soon as possible after the Treaty enters into force. Non-nuclear-weapon States Party to the Treaty so desiring may also obtain such benefits pursuant to bilateral agreements.

**Article VI**

Each of the Parties to the Treaty undertakes to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a Treaty on general and complete disarmament under strict and effective international control.

**Article VII**

Nothing in this Treaty affects the right of any group of States to conclude regional treaties in order to assure the total absence of nuclear weapons in their respective territories.

**Article VIII**

1. Any Party to the Treaty may propose amendments to this Treaty. The text of any proposed amendment shall be submitted to the Depositary Governments which shall circulate it to all Parties to the Treaty. Thereupon, if requested to do so by one-third or more of the Parties to the Treaty, the Depositary Governments shall convene a conference, to which they shall invite all the Parties to the Treaty, to consider such an amendment.

2. Any amendment to this Treaty must be approved by a majority of the votes of all the Parties to the Treaty, including the votes of all nuclear-weapon States Party to the Treaty and all other Parties which, on the date the amendment is circulated, are members of the Board of Governors of the International Atomic Energy Agency. The amendment shall enter into force for each Party that deposits its instrument of ratification of the amendment upon the deposit of such instruments of ratification by a majority of all the Parties, including the instruments of ratification of all nuclear-weapon States Party to the Treaty and all other Parties which, on the date the amendment is circulated, are members of the Board of Governors of the International Atomic Energy Agency. Thereafter, it shall enter into force for any other Party upon the deposit of its instrument of ratification of the amendment.

3. Five years after the entry into force of this Treaty, a conference of Parties to the Treaty shall be held in Geneva, Switzerland, in order to review the operation of this Treaty with a view to assuring that the purposes of the Preamble and the provisions of the Treaty are being realized. At intervals of five years thereafter, a majority of the Parties to the Treaty may obtain, by submitting a proposal to this effect to the Depositary Governments, the convening of further conferences with the same objective of reviewing the operation of the Treaty.

**Article IX**

1. This Treaty shall be open to all States for signature. Any State which does not sign the Treaty before its entry into force in accordance with paragraph 3 of this article may accede to it at any time.
2. This Treaty shall be subject to ratification by signatory States. Instruments of ratification and instruments of accession shall be deposited with the Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland and the Union of Soviet Socialist Republics, which are hereby designated the Depositary Governments.

3. This Treaty shall enter into force after its ratification by the States, the Governments of which are designated Depositaries of the Treaty, and forty other States signatory to this Treaty and the deposit of their instruments of ratification. For the purposes of this Treaty, a nuclear-weapon State is one which has manufactured and exploded a nuclear weapon or other nuclear explosive device prior to January 1, 1967.

4. For States whose instruments of ratification or accession are deposited subsequent to the entry into force of this Treaty, it shall enter into force on the date of the deposit of their instruments of ratification or accession.

5. The Depositary Governments shall promptly inform all signatory and acceding States of the date of each signature, the date of deposit of each instrument of ratification or of accession, the date of the entry into force of this Treaty, and the date of receipt of any requests for convening a conference or other notices.

6. This Treaty shall be registered by the Depositary Governments pursuant to article 102 of the Charter of the United Nations.

**Article X**

1. Each Party shall in exercising its national sovereignty have the right to withdraw from the Treaty if it decides that extraordinary events, related to the subject matter of this Treaty, have jeopardized the supreme interests of its country. It shall give notice of such withdrawal to all other Parties to the Treaty and to the United Nations Security Council three months in advance. Such notice shall include a statement of the extraordinary events it regards as having jeopardized its supreme interests.

2. Twenty-five years after the entry into force of the Treaty, a conference shall be convened to decide whether the Treaty shall continue in force indefinitely, or shall be extended for an additional fixed period or periods. This decision shall be taken by a majority of the Parties to the Treaty.

**Article XI**

This Treaty, the English, Russian, French, Spanish and Chinese texts of which are equally authentic, shall be deposited in the archives of the Depositary Governments. Duly certified copies of this Treaty shall be transmitted by the Depositary Governments to the Governments of the signatory and acceding States.

In witness whereof the undersigned, duly authorized, have signed this Treaty.

Done in triplicate, at the cities of Washington, London and Moscow, this first day of July one thousand nine hundred sixty-eight.
**Iranian Nuclear Facilities**

**Arak**
Heavy water plant with natural uranium reactor.

**Bandar Abbas**
Project of building a site for the installation of nuclear warheads on ballistic missiles.

**Bushehr**
Reactor damaged in the Iraq-Iran war. At the moment in phase of completion with Russian assistance.

**Chhalus**
Underground plant for development of nuclear weapons.

**Darkhovein**
Nuclear plant under construction with Chinese cooperation.

**Isfahan**
Probably the future main nuclear plant in Iran. Under construction with Chinese cooperation, that shall also provide the reactor.

**Karaj**
Plant for stockpiling and maintenance of enriching equipments.

**Lashkar Abad**
First plant for laser enrichment, moved to Karaj.

**Mowlem Kelayeh**
Secret plant. No foreign assistance.

**Tabas**
Possible presence of a secret nuclear reactor, built with Chinese and North Korean cooperation.

**Teheran**
Uranium enrichment plan of Kalave Electric Company.

**Yazd**
Underground plan built next to a uranium extraction site.
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