

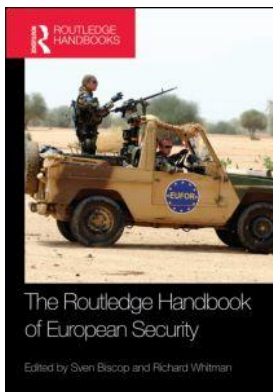
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THE EU AND IRAN

Walter Posch

Formal relations between the European Union (EU) and the Islamic Republic of Iran commenced with the Edinburgh Declaration in 1992. This declaration came more than a decade after the 1979 revolution, four years after the UN-brokered ceasefire that ended the Iran–Iraq war (1980–8) and barely three years after the Islamic Republic of Iran’s founder, Grand Ayatollah Rouhollah Mousavi Khomeini (the ‘imam’), passed away in 1989. Hence, after a decade of de facto no relations between Europe and Iran, European heads of state and government decided to examine how to conduct EU–Iranian relations in the future.¹

The Europeans had both realistic and idealistic reasons for breaking the diplomatic ice in Edinburgh. First, on the realist side, the argument ran, Europe simply could not afford to ignore a country with Iran’s economic and geo-political importance, not in regional policy and certainly not regarding energy. Second, a successful Iran policy would prove essential to demonstrating the value of emerging EU foreign policy leadership.

The first engagement

It was developments within Iran, however, that tipped the balance towards – cautious – engagement. After a decade of war and revolutionary turmoil President Ali Akbar Hashemi Rafsanjani was compelled to try to allow for his country to enjoy some post-revolutionary normality, both in the domestic and foreign policy arenas.

This said, there was no way of beginning ‘business as usual’ by concluding a Trade and Cooperation Agreement (TCA) or a Political Dialogue Agreement (PDA), the EU’s conventional starting points for strengthening relations with other countries. After all, a decade of alienation would not vanish overnight. Thus, in order to establish the trust necessary for good relations, the EU had to embark on a policy which would address the long list of disagreements and problems rattling both the respective bilateral and the EU-level relationships with the Islamic Republic.

The response was the initiation of the so called Critical Dialogue (CD). ‘Critical’, because none of the issues the Europeans found worrisome – be it Iran’s abysmal human rights record, terrorism or its opposition to the Middle East Peace process (and back then to a lesser degree non-proliferation) – was excluded. But it was still a dialogue in which Europeans and Iranians listened and were listened to. The dialogue format proved a test for both sides: for Iran its

engagement with the EU was the first real test for its newly created post-revolutionary diplomatic elite, and for the Europeans Iran policy immediately became a test case for the EU's newly initiated Common Foreign and Security Policy (CFSP).²

Small tangible successes notwithstanding, the Critical Dialogue immediately came under fire from many in Europe, the USA and of course Israel. In a nutshell, the argument asserted that the Critical Dialogue was just cheap cover for booming European business relations with the Islamic Republic. Ignoring the bilateral basis for trade and finance, critics charged that the EU deliberately and strategically chose to overlook Iran's destructive policies and ongoing human rights violations. Such criticisms of EU policy ignored the extent to which the Critical Dialogue forced the Iranians to look at internal human rights and to even admit, as they have done, that there is an 'issue' at all. This was a significant step considering that Iran had generally dismissed human rights as just another weapon in the arsenal of the 'cultural onslaught by the West'. Years later, in 2010, Iran's quixotic attempt to run for the chairmanship of the UN Human Rights Council gave grimly humorous proof that the Islamic Republic cannot ignore the human rights debate any longer.

Nonetheless, EU–Iran relations deteriorated again within five years. A 1997 German court verdict condemning Iranian officials for involvement in terrorist activities in Berlin during the 1980s (the so-called Mykonos Affair) proved a defining turning point. Iran's unacceptable reaction to the verdict led to the now famous pull-out of EU ambassadors later that year (Ghaissari and Nasr, 2006: 127). By that time, relations seemed to be beyond repair, at least from the vantage point of the EU.

The reformist era

In the end it was Iranian domestic policy that again changed the dynamics and reversed the trend which was leading towards diplomatic stalemate. The 1997 surprise victory of the reformist platform of Mohammad Khatami and his democratization policy made re-engagement possible. Nevertheless, Khatami's election did not bring any decisive resolution to the divisive issues between the EU and Iran. Recognizing the positive potential within the changed environment, the EU decided to revamp the Critical Dialogue; a new CD – 'Comprehensive Dialogue' – was initiated. Within this format EU and Iranian officials met twice a year at the level of under-secretary of state. The range of issues was also enhanced and human rights and non-proliferation issues were put higher on the agenda. Working groups were established covering classic fields of cooperation such as energy, drugs, refugees and trade and investment.

After Khatami's 2001 re-election, the EU moved to further intensify the relationship. Based on a Communication³ it decided on a formula to:

- 1 combine (pre-)negotiations on a TCA (conducted by the EU Commission) with success in the Political Dialogue (conducted on behalf of the Council, i.e. led by Council presidency); and
- 2 stipulated the need for 'significant' positive steps on behalf of the Islamic Republic in all divisive policy areas (e.g. human rights, nuclear non-proliferation, and the Middle East peace process, to mention just the most important ones).

Furthermore, in addition to the Political Dialogue the EU and Iran conducted a Human Rights Dialogue, the last round of which took place in 2004 and has been suspended ever since Iran cancelled the next round which was to take place in 2006 (but never materialized).

In the Khatami era EU–Iran relations flourished on all levels: social, academic, cultural/arts, and, of course, economic. Without question, European enterprises moved quickly to seize opportunities opened when US businesses were forced to cut investments under the Iran and Libya Sanctions Act (ILSA). With an amiable president like Khatami heading the state apparatus, Iran began to acquire a relatively attractive image across the EU countries, where efforts to deepen relations were deemed to be well founded.

Impressed by reports of the emergence of a serious debate on democracy and human rights inside Iran, many Europeans hoped, and not without reason, that further engagement, i.e. conclusion of TC and PD agreements, coupled with a continuation of the human rights dialogue, would strengthen the reformists and pave the way for a measurable shift towards a more democratic – rather than hard-line Islamic – Republic.

However, such hopes appeared to be delusional when a hitherto undeclared Iranian nuclear site was discovered in 2002. Consequently, the nuclear issue took priority over all other policy issues. Even so, in 2002 and 2003 European diplomacy and policy were firmly focused on haggling with the USA over Iraq, which made Iran policy less of a priority despite the Council regularly addressing the nuclear issue.

The nuclear issue

A few months after the fall of Baghdad in 2003, Iran was again high on the agenda. This time Iran became a clear ‘test case’ for the EU in several respects.

First, if the EU failed to show unity this time, its role as an independent and important actor on the international stage would be irreparably damaged. Secondly, by mid-2003 European decision-makers could not rule out another unilateral US military attack, this time on Iran. Third, US unilateralism could turn the whole international system of verification and control as conducted by the Vienna-based International Atomic Energy Agency (IAEA) into a shambles, thus further weakening the NPT regime. Finally, every European country realized that it had to ameliorate its relationship with the USA bilaterally and on the EU level.

Needless to say combining these various and partially conflicting agendas was no easy task. Even more so, when one considers the cumbersome, consensus-driven EU decision-making processes.

It was with this insight that the foreign ministers of the ‘EU’s Big 3’ (i.e. the UK, France and Germany) decided to take matters in their own hands and in autumn 2003 travelled to Tehran in order to persuade the Iranians to sign the Additional Protocol; to allow intrusive inspections on behalf of the IAEA; and to suspend uranium enrichment. This trip became known as the ‘E3 initiative’ (also ‘Big Three’ or ‘EU-Three’) and ever since then the three European lead powers have been directly involved in all aspects of the Iranian nuclear saga.

The initiative proved to be the ‘jolt’ necessary to jumpstart the EU’s diplomatic machine, and towards the end of 2003 Javier Solana, the EU Council’s secretary general and foreign policy czar, was added to the team. The involvement of the general secretariat alleviated grievances held by many EU member states, some of whom scorned what they feared was the installation of an ‘E3-*directoire*’ superseding the EU presidency,⁴ others of whom refused to see the EU dimension of the E3 initiative and almost all of whom felt they were insufficiently informed.

These fears were quickly overcome: short briefings given by the E3 ambassadors and later by the Council’s political director at meetings of the Political and Security Committee (PSC) satisfied the need for more information. On the political level, Solana’s presence placed the

full weight of the EU's 15 (and later 27) member states behind the E3. This is remarkable in so far as the Council endorsed the E3/EU approach for the first time at a GAERC meeting in October 2005! In exchange the E3 enabled the EU – via the high representative – to be present and later on to play a role in an important matter of international security. In other words the E3 and the EU mutually reinforced their weight in international relations. Javier Solana's role grew, therefore, as he managed to make the Council a clearing house and coordination cell between the EU-Three and the rest of the EU.

With Solana on board the 'E3/EU' initiative became a fixed format with clear procedures and close cooperation on all levels from E3 and EU desk officers up to political directors. And this constellation – i.e. the format – also became the main framework to coordinate and to backchannel with the USA. By 2004 the E3/EU format became the EU's *modus operandi* regarding relations with the Islamic Republic of Iran. As a consequence the nuclear issue put all other policies towards Iran on hold, be they Commission- or Council-driven.

E3/EU diplomatic efforts peaked with the Paris Agreement of 15 November 2004,⁵ which extended to cover broader issues, such as terrorism, whilst retaining the NPT issues and Iran's voluntary cessation of enrichment activities as the Agreement's central objectives. Immediately after signing the Paris Agreement the Iranian government came under immense domestic pressure as the anti-reformist opposition forces regained the political initiative which they had lost to the reformist coalition during the two Khatami presidencies. The nuclear issue became the linchpin of the country's technological progress and international standing, hence Iranian sovereignty and dignity.

Missing an agreement

According to uncorroborated Iranian sources no one understood this point better than French president Jacques Chirac and he attempted to strike a deal in March 2005 stating that 'one could not prevent the technological progress of this [Iranian] nation' (Mohammadi, 2005). Hereby Chirac grasped the typical third-worldish nature of the regime, which at the end of the day trumps its Islamic identity. In fact, the EU and Iran could never have experienced more favourable conditions for reaching a solution than those which characterized that meeting.

However, circumstances at that time were not favourable for a deal, especially since domestically the reformists were being accused of betraying the Iranian national interest. Viewed from this perspective, Khatami and his team needed a deal more desperately than the Europeans – and they needed it before the June 2005 elections, if they were to stand a chance of having someone from their camp elected.

For the Europeans the Khatami presidency was a mixed blessing. They were aware of the fact that Khatami faced fierce domestic resistance from undefined 'radical forces'. On the other hand, it became increasingly clear that former president Ali Akbar Hashemi Rafsanjani would once again run for president. Rafsanjani, whose economic policy was warmly remembered in European business circles, evoked the image of being someone who would be both powerful and pragmatic enough to strike a deal on the sensitive nuclear issue. Khatami in comparison appeared to be a lame duck president. Thus, the European offer concerning a nuclear understanding between Iran and the West did not reach Tehran until after the elections. But it was Dr Mahmud Ahmadinejad, a back-bench politician with political roots in the intelligence apparatus, who would win the election.

The Iranian reaction to the offer can be characterized as a furious rejection spurred on by their perception of it as worthless in the context of the following important issues:

- 1 There were no incentives for Iran to give up its 'inalienable' nuclear rights.
- 2 They bemoaned the lack of any guarantees or firm commitment by the EU to honour its agreement.
- 3 The offer lacked any negative security guarantees granted by the nuclear powers including the USA.

Whether or not the offer was a good one is less important than Iran's interpretation, according to which the Europeans could not deliver the USA. In fact, Tehran was unsure whether the USA would back this offer at all. The Europeans pursued an incremental approach and the 2005 offer was intended to be an important step towards bringing the Iranians and the USA to the negotiating table at a later date. The Iranians, however, took the presence of the USA as a given. Hence, Tehran scorned the 'self-righteous behaviour' of the EU. Answering on behalf of the EU, the British presidency summed up the most significant differences between Iran and the Europeans by asking why Iran would insist on the nuclear fuel cycle when the country has no nuclear facility to feed it into?⁶ Hence the European lack of faith in Iran's self-proclaimed peaceful intentions. In the end, Iran and Europe could only agree on the lack of mutual trust.

On the partisan level, the Iranian team was still reporting to Khatami because Ahmadinejad was not yet sworn in and he had not yet promoted his followers to key positions. What the Europeans did not know was that the new president's followers were to be found among the radical forces that played a major role in derailing the reform process and who had opposed a nuclear deal earlier in that same year, 2005. Interestingly enough this fact had never really had a significant impact on the substance of Iran's nuclear policy; however, its impact on the Islamic Republic's political style was tremendous.

Diplomatic escalation

A sharp reckoning came when the new president Ahmadinejad 'elaborated' in detail on the Holocaust and the need to make the State of Israel 'vanish from the page of history'. European governments could barely contain their shock over these remarks, but despite protests, they continued to work on a negotiated solution with the Iranians. In fact, the Europeans went the extra mile in September 2005: after an unfavourable resolution for Iran was handed down by the IAEA Board of Governors, the Europeans declined to refer Iran's nuclear file to the UNSC in order to allow for further negotiations. However, progress on key objectives remained difficult for three reasons:

- 1 There was principle disagreement over the question of enrichment, with the Iranians insisting on a different interpretation of the NPT.
- 2 Ahmadinejad's inexperienced team of diplomats and negotiators had no previous experience with Europeans or international politics, much less experience in negotiations, and therefore they lacked the competency to exploit diplomatic openings.
- 3 There was a deficit of trust on both sides; what little had been developed vanished rather quickly.

Contrary to the dexterous manoeuvring exhibited by Khatami's policies, which meticulously avoided referral of the nuclear issue to the UN Security Council, the new president proved to be a risk-taker. For instance, after the unfavourable result of the September 2005 Board of Governors decision Iranian diplomacy risked just another confrontation by putting

forth an uncompromising stance at the Vienna meeting with the E3/EU on 21 December 2005. After the negotiations ended inconclusively Iran again upped the ante by restarting parts of the nuclear programme that they had previously agreed to stop voluntarily.

The Iranian calculation was twofold: restarting parts of its nuclear programme under IAEA supervision would emphasize its legality and reduce the importance of the E3/EU negotiations mechanism. In other words, the Iranians hoped they could ignore international politics as represented via the E3/EU and insist on their own – third-worldish – reading of the NPT treaty. The second aspect was equally ideological: relying on Iran's anti-imperialist credentials in foreign policy, Ahmadinejad's new team gravely overestimated both the influence of the countries of the Non-Aligned Movement (NAM) in the IAEA and Iran's standing amongst the NAM countries.

The litmus test came at an extraordinary meeting of IAEA governors a month later. True, Iran had supporters in the IAEA meeting, but important countries like India did not support Iran and even China and Russia sided with the E3 and the US (Posch, 2006: 107). Finally, in February 2006, Iran's nuclear file was referred to the UNSC. From that point onwards, Euro-Iranian relations would be debated in a new format and offers for Iran would be accompanied with sanctions.

The EU's Iranian nuclear policy: offers and sanctions

After the Iranian nuclear file was sent to the UNSC, the EU met in a new format labelled either 'P5+1' (the UNSC permanent five members plus Germany), 'EU3+3' or more commonly 'E3+3' and finally 'E3/EU+3', i.e. the EU's 'Big Three' and the EU's high representative plus the USA, China and Russia. This was highly innovative. Depending on one's viewpoint, one could see the new arrangement as the addition of Germany and the EU to the UNSC, or the joining of the non-European P5 members with the E3/EU. The role of the High Representative only increased, and he was now acting as the official representative not only of the EU, but also of the international community as represented by the UNSC. On two occasions (in 2006 and in 2008), Solana presented offers for a negotiated solution to the Iranians. Concurrently, Solana de facto became the sole negotiator with the Iranians, a development which became particularly observable during Ali Larijani's tenure as the head of the Iranian negotiations team in 2005–7. Thus, the continuation of negotiations and the avoidance of a diplomatic meltdown are fully attributable to these two men. These years were critical because during this time several UNSC resolutions were issued and the Europeans began to debate and impose sanctions against Iran.

In June 2006 Solana travelled to Iran with a new package deal⁷ covering all fields of cooperation. And since the deal was backed by the P5, the question whether the USA would ultimately support a European offer, one of the Iranians' biggest concerns, was alleviated. When Iran refused this offer as well, UNSC Resolution 1696 was adopted on 31 July 2006 obliging Iran to suspend its enrichment activities, which Iran – as expected – refused to do.

With the passing of UNSCR 1696 a whole cycle of resolutions commenced reflecting the increasingly tense relationship between the E3+3 and Iran. In fact, resolutions were issued almost twice a year: 1737 and 1747 in 2007, 1803 and 1835 in 2008 and 1887 in 2009, steadily increasing the pressure on Iran's economy and hindering the ability of some regime luminaries to travel. All of these resolutions were preceded by complicated negotiations where the EU took the middle position between Russia and China on one hand, and the USA on the other. Pundits and politicians in the USA and elsewhere found this position unacceptable and accused the EU of 'being weak' on Iran and of 'condoning' the Islamic Republic. However,

the European middle position made sense because it helped retain the support of Russia and China, who were less enthusiastic about upholding the sanctions regime.

The incremental approach and the combination of sanctions and offers helped to promote the Western position in the IAEA because NAM countries recognized that any pressure exerted on Iran was preceded by offers to negotiate. Although everybody knew that the USA was the driving force behind passing sanctions resolutions against Iran, America was not acting unilaterally and, more importantly, America was not perceived to be acting unilaterally. In other words, lighter sanctions carried a heavier weight on the international scene.

The sanctions path was always accompanied by offers of cooperation, and many formal and informal contacts with the Islamic Republic were maintained on bilateral and EU levels. This changed – in some cases dramatically – when Ahmadinejad condoned the Holocaust ‘conference’ (in fact a jamboree of European and American fascists and Holocaust deniers) in late 2006. This had long-term consequences because it completely destroyed political goodwill. Furthermore, academic cooperation with Iran – notably in the think-tank world, but also with universities – steadily decreased and the tight web of academic cooperation which had been built up under Khatami ultimately unravelled.

The president’s personal politics also came into play. In 2007 he replaced the aristocratic Ali Larijani with Dr Saeed Jalili, an ideologue and a confidant of his with no previous experience on the international scene. Dr Jalili quickly exacerbated the Europeans’ frustration, but the EU remained determined to try to find a negotiated solution, while at the same time continuing the sanctions regime, in order to get the Iranians back to the negotiating table. This dual approach was also aimed at supporting European credibility vis-à-vis the USA.

The final offer

Throughout 2007 and 2008 the necessity of direct US–Iranian engagement became increasingly pressing. Preliminary contacts, for instance in the wake of the Iraqi neighbours initiative and other similar venues, never allowed for a breakthrough. As seen from a European perspective Iran was now definitively reduced to nuclear policy, because attempts to try other approaches concentrating on issues such as energy security, economic cooperation or regional security, to name the most utilized ones, went nowhere. Hence, the focus became maintaining unity both within the EU as well as with the E3+3 format, in order to push for more resolutions, but also to make another credible offer to the Iranians.

On 12 June 2008 High Representative Javier Solana met Iranian Foreign Minister Manuchehr Mottakai and handed him a letter signed by the foreign ministers of the E3+3 and himself. Attached to the letter was a proposal (INFCIRC 730) covering all fields of cooperation between Iran and the international community such as nuclear energy, political issues, economy, a privileged energy partnership with Europe, civil aviation and other things of that nature.⁸ The text was rather short as it was intended to provide a basic understanding of common interests. It was also an impressive opening on behalf of the USA towards the Iranians and, as seen from a European perspective, a final political confirmation of the EU’s engagement policy with Iran. The Iranians did not react to this offer, which is still on the table and the sole basis of a possible re-engagement with the Islamic Republic.

Arguably, this could have been the point at which the EU’s involvement as a serious actor in the Iran saga ended. After all, the EU’s engagement policy with Iran centred on bringing the Iranians and the Americans to the negotiating table, directly or indirectly. This, the EU managed to do, but success or failure was always a bilateral Irano–American affair. Even so, the E3+3 format and, therefore, the EU’s central role in it continued after the ‘handover’

from Javier Solana to Catherine Ashton at the helm of the European Foreign Affairs and Security Policy. As a matter of fact E3+3 remains the only forum to coordinate Iran policy (attempts to supersede it with the G8 or other formats led nowhere) and as such, whatever turn Iran policy will take, towards more sanctions or towards engagement, will be conducted via the E3+3.

Following the delivery of Solana's last offer to the Iranians, the EU joined everyone else in awaiting the election of a new American president (November 2008), and the then hoped-for change through Iran's presidential elections (June 2009). Regardless of the two outcomes, by 2009 EU policy towards Iran was already reduced to the NPT and ever narrower: to sanctioning policy, conducted mainly on behalf of the E3. The imposition of UNSCR 1929⁹ in June 2010 and the Council Decision of 26 July 2010 'concerning restrictive measures against Iran' (Official Journal of the EU, L 195/39) are the final points in a long development. Now EU sanctions against Iran come very close to the scope of US sanctions, leaving few chances to pursue any economic activity with the Islamic Republic.

It is our view that one has to keep this background in mind when seeking to understand why Tehran would engage with Turkey and Brazil in May 2010. The Iranians quickly realized how much more painful sanctions could become and eagerly seized the opportunity when Turkey and Brazil took the initiative and tried to promote their own solution for Iran's nuclear file, which failed. This outcome was not surprising because the main crux for a negotiated solution was the lack of bilateral relations between Tehran and Washington. Even so, Tehran had won time, ensured Turkey's negative vote at the UNSC and effectively stressed common interests with two important and economically vibrant aspiring powers. It is hard to imagine why Tehran would choose a go-between when it could have direct negotiations with the E3+3, and thereby with the USA.

A few months before the Turkish–Brazilian interlude, in October 2009 the E3+3 met with an Iranian delegation in Geneva. Negotiations must have reached an advanced level, but a possible solution broke down in the stormy waters of factional politics in Tehran. Ahmadinejad's attempts to reach a solution have been shot down by his own radical followers and of course by opposition leaders, who exploit this topic in order to attack him. On the Iranian side, domestic turmoil after the June 2009 presidential elections led to a stalemate situation among the decision-makers. As a result of this situation a mechanism developed through which any positive step on behalf of the Iranian government (e.g. acceptance of mandates for enrichment outside of Iran) had to be accompanied by a show of force (e.g. firing missiles or ordering enrichment to be upped to 20 per cent). Needless to say, such behaviour on Iran's part leaves the international community confused, frustrated and without many viable options.

In order to strengthen his own domestic position Iran's contested president hoped to forge an agreement with the West whilst at the same time abiding by Iran's revolutionary identity (Posch, 2011). Hence, the ironic situation emerges in which a radical president like Ahmadinejad would want to strike a deal on the nuclear issue with the international community. Without the permanent engagement on behalf of the EU this policy option would not even exist.

The last meetings between the E3+3 and Iran took place in December 2010 in Geneva and in January 2011 in Istanbul. Obviously the results were hardly satisfying for either side. High Representative Ashton expressed her disappointment with the outcome when she explained the E3+3's rejection of Iranian preconditions,¹⁰ namely the acceptance of the full fuel cycle and the lifting of sanctions. Interestingly enough the Iranian side came away with a slightly positive take on the negotiations. After months of virtually no communication other than EU complaints and demarches against Iran's steadily deteriorating human rights situation,

EU High Representative Catherine Ashton commented on behalf of the E3/EU+3 on the last IAEA report on Iran.¹¹ In her comment, she repeated the need for Iran to honour its international obligations, but she also underscored the international community's will to 'engage with Iran in a constructive dialogue on the basis of reciprocity' and reaffirmed the 'offer of June 2008 and the proposals ... made to Iran in Istanbul in January'.¹² The explicit reference to the 2008 offer is an interesting change of EU language, which had dramatically hardened after the passing of UNSCR 1929 in June 2010. Hence the EU made it clear to Iran that the international community still hopes for a negotiated solution.

Conclusion

For years EU–Iranian relations have been focused on the nuclear issue. Here the EU has not been without success: it managed to provide assurances as to the efficacy of the role of the IAEA regarding Iran. It sensed a policy change towards engagement with Iran in the USA (clearly apparent during the second Bush presidency) and recognized the chance to win some key concessions from the Iranians, i.e. the temporary suspension of nuclear enrichment, the signing of the Additional Protocol and increased openness to IAEA scrutiny of Iranian nuclear activities. And, most importantly, the EU was the driving force behind the E3+3 format; a unique overlap between the EU (High Representative), select member states (E3) and the Security Council (P5). Viewed from this perspective the EU has ensured its place as a primary actor on the international scene. This should create a new sense of European *realpolitik* through which the E3 plays a central role in engaging the larger EU in matters of great political gravity, such as the Iranian nuclear case.

On the other hand, once relations with Iran came to be viewed only through the prism of Teheran's nuclear programme, alternatives were ignored and actively discouraged. For instance, by weighing one issue against the other, the EU was unable to develop a unified Iran strategy that would take into account human rights, regional issues, energy and the nuclear file. This type of comprehensive approach is necessary in order to be able to formulate alternative policies. This is not to suggest dropping the nuclear issue under current conditions; however, formulating alternative strategies is crucial if one wants to be able to react to unexpected changes in the geo-political setup of the region. At the very least, there should be a European vision encompassing both Iran and the larger region which would allow the EU to react properly and in a timely manner to any geo-political shift. The need for greater political dexterity could become more urgent in the near future, given the fact that the outcome of the 'Arab Spring' and its future implications and ramifications for Europe are far from clear.

Interestingly enough, both sides, the EU and the USA on one hand, and the Iranians, on the other, insist the Arab Spring would alter the strategic balance to their own advantage. This augurs badly for the nuclear standoff because each side assumes it is in the stronger position. For instance, after the Iranians passed up the opportunity to benefit from the June 2008 offer the E3+3's patient policy succeeded in isolating Iran within the IAEA. On the other side, Iran feels tempted to put its nuclear programme in a regional NPT context. Depending on the outcome of recent developments it may indeed find more Arab states sympathizing with its strategic posture, thus counterbalancing the hostile position of Saudi Arabia and the Gulf States.

But after several years of negotiations, political sympathies are not enough to alter the political parameters in which the Islamic Republic conducts its nuclear policy and that is the E3+3 format and the fact that the ball is in Iran's court, as it actually has been ever since June 2008.

Notes

- 1 There is a surprising lack of scholarly literature devoted to EU–Iranian relations. For an Iranian point of view see Mousavian, 2008; for a European perspective see Posch, 2006.
- 2 The first to fully grasp the importance of the Iran issue for CFSP was Everts, 2004.
- 3 *EU Relations with Iran* (Communication from the Commission to the European Parliament and the Council) COM(2001) 71, Brussels, 7 February 2001; until now this is the only document providing a strategic vision on EU Iranian relations. For further EU documents on Iran see the European External Action Services site ‘Brief History of Relations between EU and Iran’ available at <http://eeas.europa.eu/iran/relations_en.htm> (general issues) and <http://eeas.europa.eu/iran/nuclear_en.htm> (nuclear issue).
- 4 Quite tellingly many journalists and many more academics dealing with the EU–Iran saga referred to the ‘E3’ erroneously as the ‘EU *troika*’ (which is actually the current, past and future EU presidency). Admittedly there is some *realpolitik* truth in that misnomer.
- 5 See IAEA, 2004. All IAEA documents concerning Iran from the period 2003–9 have been translated and published in Iran. See Gharibabadi and Qasempur, 2009. Among the vast literature on Iran’s nuclear saga Chubin, 2006, is outstanding.
- 6 ‘Statement of the United Kingdom on behalf of the European Union at the IAEA Board of Governors’, Vienna, 9 August 2005, available at <http://www.iaea.org/NewsCenter/Focus/iaeaIran/bog092005_statement-eu.pdf>.
- 7 ‘Elements of a proposal to Iran as approved on 1 June at the meeting in Vienna of China, France, Germany, the Russian Federation, the United Kingdom, the United States of America and the European Union’ (S202/66), available at <http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressdata/EN/reports/90569.pdf>.
- 8 <<http://www.iaea.org/Publications/Documents/Infcircs/2008/infcirc730.pdf>>.
- 9 <http://www.iaea.org/newscenter/focus/iaeaIran/unsc_res1929-2010.pdf>.
- 10 See Ashton, 2011a.
- 11 ‘Implementation of the NPT Safeguards Agreement and relevant provisions of Security Council resolutions in the Islamic Republic of Iran’ (GOV/2011/54), 2 September 2011, available at <<http://iaea.org/Publications/Documents/Board/2011/gov2011-54.pdf>>.
- 12 Ashton, 2011b.