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IRAN 2012: Another Opportunity for Diplomacy

Sheel Kant Sharma

Distinguished Fellow, Centre for Air Power Studies, New Delhi

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Iran's nuclear program rides high despite nine years of intense world focus on it with persistent doubts about its military dimension. Western dialogue with Iran has been on a set pattern of political level talks alongside technical level meetings with the IAEA – mutually supportive when the going is good, though much less often so. This has been the broad picture for the past nine years since Iran's secret work on enrichment came to the notice of the world and the IAEA in that order. The nuts and bolts of what these meetings and discussions comprise are still within the same broad sphere. The IAEA Board of Governors, at its last meeting, has taken note of yet another report of the Director General earlier this month detailing the full extent of Iran's

uranium enrichment capability at three locations under comprehensive safeguards amidst vague assertions about more locations being planned by the leadership in Tehran. Outstanding questions remain about possible military related activities which the IAEA would like to clarify. To put it briefly, the DG of IAEA reported to the Board of Governors,

"The Agency continues to verify the nondiversion of nuclear material declared by Iran under its Safeguards Agreement.

However, Iran is not providing the necessary cooperation to enable the Agency to provide credible assurance about the absence of undeclared nuclear material and activities in Iran, and therefore to conclude that all nuclear material in Iran is in peaceful activities..."

This type of assessment has more or less continued *mutatis* mutandis for the past six years since Iran's nuclear program was taken to the UN Security Council, which triggered four sanctions resolutions. In addition, prohibitions were imposed by the Security Council on a whole set of nuclear activities in Iran dealing with enrichment of uranium, reprocessing of plutonium, production of heavy water, building of research reactors, work on uranium metal and fuel cycle with alleged military implications and so forth. The IAEA report, nonetheless, also mentions how its inspections under Iran's safeguards agreement have duly covered activities proscribed by the UNSC. The gamut of these activities has reached a point that Iran today has more than 6000 kilograms of LEU, enriched up to 3%, and about 145 kg of 20% medium enriched uranium. Meanwhile, there have been varying statements by the Iranian leadership on whether they would accept any restraint on the quantum or quality of further enrichment activities, on-going or planned. Moreover,

> the report of the IAEA shows that the industrial level facilities created by Iran at Natanz and Fordow and at a pilot facility comprise existing and upcoming centrifuges running into 50 to 60 thousand. Such a mammoth scale of effort upheld and supported by Iranian leadership as a matter of national pride and demonstration of national prowess

meetings with the IAEA - mutually is a far cry from the situation in 2006. In 2006, as former DG Mohamed ElBaradei revealed in his book last year,

a possible compromise solution could have been found in allowing Iran to retain a pilot scale R&D facility with just one cascade of 164 centrifuges with suspension of industrial scale enrichment and quaranteed access to the IAEA to all activities, declared or undeclared, for implementation of safeguards under the NPT as also the Additional Protocol. In return, the West could provide a generous package of nuclear technology, trade and suspension of Security Council action. All this would have allowed fully transparent verification of Iran's avowedly peaceful nuclear program; thereby turning the page on past undeclared activities.



But this was one of the several lost opportunities by both sides - Iran refusing to give up its right to enrichment and the other side insisting on "not one centrifuge". This throwback to the past can be helpful to gain a perspective for the present.

The parallel process of political dialogue with Iran under P3 or P5 plus one format has also continued off and on for nearly nine years now. The latest round resumed last March amidst scarv talk about impending military strike on Iranian enrichment facilities and Iran's threat to close the Straits of Hormuz. There was a modicum of cautious optimism after the first meeting in Istanbul when

all participants agreed to move ahead step by step with reciprocity and agreed to meet again in Baghdad in May. The deputies of the chief negotiators on behalf of EU and Iran had further meetings to prepare for the Baghdad session. Some speculation about possible compromise proposals/ideas received encouragement from Iranian leaders' statements about readiness to make compromises. However, the two day session in Baghdad gave no indication of progress beyond a last ditch nod for a further round in Moscow on June 18/19.

The EU foreign policy chief, Lady Ashton said after the Baghdad talks that "It is clear that we both want to make progress, and that there is some common ground. However, significant differences remain. Nonetheless, we do agree on the need for further discussion to expand that common ground". Welcome as these remarks were, such was the limitation of the so called common ground that while EU claimed Iran was ready to discuss its 20% enrichment, the Iranian leader in Baghdad, instead of addressing 20% enrichment began discussing political issues like Syria and Bahrain.

In the meantime, at the meeting in Beijing on the side-lines

of the Shanghai Cooperation Organisation (SCO) between presidents of Russia and Iran, the discussion about the nuclear issue came up along predictable lines. The SCO statement took a tough line against resort to military force. It said "Any attempts to solve the Iranian problem with force are unacceptable and could lead to unpredictable circumstances that

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threaten stability and security in the region and the entire world". Iranian comments after Baghdad have also been less promising for the next round.

These talks continue, nonetheless, with the alternative of military escalation which neither side wants. Since more severe sanctions lie in store for Iran, the general expectation is that the talks might go on for a while even if significant progress appears illusive. The IAEA too is to persevere with further meeting scheduled immediately after the June session of its Board of Governors. Even as concern about commercial satellite photos of suspected demolition of buildings at

the Parchin site explicitly figure in latest IAEA comments, they also retain the hopeful line that IAEA and Iran "have decided to agree on a structured approach" to clarification of all outstanding issues.

Some progress in IAEA's talks with Iran in this regard would be helpful for the Moscow meeting, particularly since Iran has maintained that instead of the UNSC, the IAEA should deal with this issue. The agenda for Moscow seems to belong to a much wider domain than IAEA's remit, e.g. suspension of enrichment in Fordow vis-a vis suspension or freeze on sanctions, economic squeeze on Iran's oil trade and possibly regional political matters too.

The record of the past nine years shows that Iranian responses in these talks have been calibrated according to the pressures it perceived and the dent to its self-image which a compromise might have meant. Iran apprehended more trouble in 2003 so it suspended enrichment related activities and agreed to observe the Additional Protocol without formal ratification. That restraint vanished by 2005 as Iran showed greater resolve to defend its actions by resuming and flaunting its activities and rejecting not only the Additional Protocol but even early design

information about nuclear facilities which is integral to agreed modification of its safeguards agreement. Iran has since steadily amassed centrifuges and LEU at 3%. and some at 20% at industrial scale disregarding mounting Security Council sanctions. During the same period, gradual softening of US position took place in that it agreed to join the dialogue with Iran, first

of Governors.



indirectly then as a member of P5 plus one; it offered to hold direct talks with Iran; had intelligence assessment that military side of Iran's nuclear program went no further after 2003; showed preference to resolving the problem with diplomacy rather than through military strikes favoured by Israel and even offered to accept this year that Iran can retain some capability for enrichment provided it suspends work on 20% enrichment.

That Iran does not find this substantial evolution in US stance as sufficient seems to be terse the message from the dialogue so far. Besides, the detail report of IAEA shows how hard and time consuming it has been to

implement diverse aspects of its safeguards in Iran and the tired excuse of Iran about security every time questions are posed to it by the inspectors. At the same time, IAEA experts have verified that of the troublesome 20% medium enriched uranium about 50 kg has been converted into metal fuel for the research reactor - not only validating Iran's peaceful claims but even making such uranium much

more difficult to use for higher enrichment.

Continuation of talks in the face of *contretemps*, therefore, has much greater import today. Of course, there is the cynical interpretation of each side's interest in keeping talks going until US elections and in view of Iranian domestic politics. Be that as it may, the compulsion on both sides not to spurn the steps envisioned by the other and pursuit of common ground with reciprocity as underlined in Istanbul can provide basis for an opportunity. Is the West ready to take Iran's demand for its right under NPT to technology and allow it to retain facilities built over the past nine years? Can Iran's interlocutors take its Supreme Leader's fatwa against nuclear weapons at its face value? Does Iran assess the value of opportunity in

the present situation for a dignified deal in order to accept restraint on its program under full transparency to IAEA?

There is no dearth of dignified ways to break the impasse including various versions of fuel swap which have cropped up from time to time. What is needed is a structured document not only for the IAEA but for the larger agenda of P5-plus-one negotiations and a measure of mutual trust to engender a truly step by step process. Iran's quest for respect as a capable regional power has a positive side which should be recognised. This needs tempering of demands from its team to give up at the outset long held positions. Iran too needs to provide ample

> assurance that it is not engaging in talks just to buy time. Negotiators ought to realise the limitations of sanctions and counterproductive impact especially in a society subjected to them for decades now and the diminishing returns of stoking nationalist sentiment for its politicians. For Iran it is natural to want to avoid sanctions but this is by no means a limitless expedient

for its interlocutors. For a fruitful engagement with Iran, given past history of mutual mistrust, much more positive has to be on the plate not mere suspension of further sanctions. There must be serious consideration of ideas that serve to integrate Iran's technology gains with the multilateral processes instead of demanding summary dismantlement. The bottom line is what Iran claims as rightful peaceful activity under the NPT.

When President Ahmadinejad proudly announced at UNGA in 2005 not many were ready to take seriously his offer to place Iran's technology for multilateral cooperation. Perhaps the strain of having to cope with nuclear Wal-Mart was blocking the vision. But today when engagement with far worse offenders is painfully pursued, why not with Iran - it has not transgressed any norms and has been trying to explain and make amends with concealment of the past?



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Centre for Air Power Studies P-284, Arian Path, Subroto Park, New Delhi 110010 Tel: +91 11 25699130/32, Fax: +91 11 25682533

Editor: Dr Shalini Chawla e-mail: shaluchawla@yahoo.com The views expressed in this brief are those of the author and not necessarily of the Centre or any other organisation.

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