



CHATHAM HOUSE

Chatham House, 10 St James's Square, London SW1Y 4LE
T: +44 (0)20 7957 5700 E: contact@chathamhouse.org.uk
F: +44 (0)20 7957 5710 www.chathamhouse.org.uk
Charity Registration Number: 208223

Transcript

Nuclear Iran: In Search of a Diplomatic Solution

Peter Jenkins

UK Ambassador to the IAEA (2001-06) and Partner, ADRg Ambassadors

Jon Davies

Additional Director, Middle East and North Africa Directorate, Foreign and Commonwealth Office

Chair: Sir Richard Dalton

Associate Fellow, Middle East and North Africa Programme, Chatham House

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Richard Dalton:

Ladies and gentlemen, thank you for joining us this afternoon. I'm Richard Dalton, an associate fellow at the Middle East and North Africa programme here. The aims of nuclear policy towards Iran, at the most basic level, are first that Iran should not have nuclear weapons capability, or failing that, should not deploy nuclear weapons. And secondly that the non-proliferation treaty regime should be both preserved and strengthened.

The international community have done much but have been unsuccessful over the last ten years against that first benchmark, that Iran should not have nuclear weapons capability. Iran is now approaching that capability. And the risk to the non-proliferation regime remains serious.

There are four policies which have been adopted at different times in different combinations by states, collectively or acting on their own. First of all, the all-important collective action under Iran's safeguards agreement with the IAEA. Secondly, dialogue. First, the European Union with its constructive engagement, before 2003. Then an initiative designed by Britain, France and Germany, known as the E3. Later, that group expanded to include Russia, China and the United States, the Permanent Five members of the Security Council, plus one, the one being Germany. Then of course tentative US approaches to Iran. An initiative by Brazil and Turkey in 2010, Russian proposals in 2006 and again in 2011. So plenty of effort.

Thirdly, coercion and coercive diplomacy, through UN Security Council decisions, including on sanctions. Through US, EU and other countries' sanctions imposed by law. By national law. And US action behind the scenes, some would call it bullying, of companies that fall outside formal US jurisdiction to cease their dealings with Iran.

And finally, aggressive actions, though actions short of war, and threats of major future war-like aggression, meaning actions by a state or states that have included assassinations and sabotage, and threats of attack to pre-empt acquisition of nuclear weapons or weapons capability by the United States and Israel.

Our intention this afternoon is to give you an account of two strategies. Each will, I believe, draw on elements from that list of policies. But I also believe the speakers will make a case that their proposals are designed to do more and to do better.

So to begin with, Jon Davies. Most grateful to him for taking time out of his work as Additional Director, Middle East and North Africa, at the Foreign and

Commonwealth Office. Appointed to that position in September 2011. Prior to that he was head of several divisions within the overall Middle East and North Africa section of the Foreign Office, including the head of the Iran department at the FCO, and before that he was deputy head of mission at the British Embassy in Cairo.

Jon Davies:

Thank you, Richard. And thank you also to Chatham House for giving this opportunity. Richard, you describe it as taking time out from the job of being Additional Director. It isn't, to state what's perhaps the obvious. This issue, but also this sort of event, this sort of opportunity, I would see as very much part of, a key part of the work of anyone in the running the Middle East section, which we keep calling different things, but you know what we're trying to do underneath.

Part of what we're trying to do is, as you say, do more and do better. Some of us were discussing just before William Hague's recent speech, and it is that level of aspiration, to try to do more and to do better. We try to do it on Iran, too, but it is a challenge.

I will try to rise to the particular challenge you've given us today, Richard, and explain both a little bit about what we are doing now, but also the strategy which we are trying to make work.

I would just say, before I come onto the detail of our position, of the UK position, the only point perhaps I would take some issue with on Richard's introduction is the sense that those approaches which you describe are separate in some way. I think that you suggest that various or different strategies are picked from all of those elements, and I think that's right. I think that a monolithic or a single track approach to the challenge of Iran and the challenge of Iran with a nuclear weapons capability simply won't work. So I think we have to be looking at something which is a complex of different approaches.

I'll also expand briefly, if I may, on the aims. I think you – as ever, Richard – crystallised it very well in terms of what we are trying to do. But if I might just briefly expand on that as to why it is such a priority for this government to do what you described, to try to prevent Iran from achieving that nuclear weapons capability which we believe is its aim.

It is particularly acute, that pressure on us to rise to the challenge, because of the nature of the current government of Iran. It's not necessarily tied to what

Iran could be or should be or maybe will be. But the way that Iran is being run and has been run for 30 years or more now I think justifiably strengthens the case for acting, both in the way we have so far but also in maintaining that level of energy, that level of imagination in how we face down the threat.

Because there is now doubt from the way that Iran continues to behave, both internally, but also its behaviour in its own region, that reinforces the case for us to take this very seriously. I'm not – as you Richard and you, Peter, know – a non-proliferation expert. I wouldn't claim to be an expert on anything, but if I spent my time doing anything in the last 20 years, it's mostly working on the Middle East. So I will bow to the expertise of Peter, especially.

But I think it is also clear that over and above anything, Iran specifically, we are talking about preserving and strengthening the institutions of the non-proliferation architecture internationally, particularly the treaty.

It is also about avoiding what we think is the likely, if not inevitable, consequence of Iran achieving nuclear weapons capability is the spread of that capability to the rest, not the rest of the Middle East in terms of all of the Middle East, but I think it is broadly accepted that countries, including Saudi Arabia, would be likely to go down the same path that Iran... as Iran gets nearer and nearer to that nuclear weapons capability. And I think our analysis is certainly that that would inevitably be a bad thing for our interests, but also the interests of the countries in the region.

And finally, why this is so important. The fact that the international community has invested such effort in this. There are disagreements. I would be foolish to stand up here today and claim there was unanimity upon both the extent of the threat and how to deal with it. But the fact that there is this series of Security Council resolutions, there is the same series of decisions and resolutions of the IAEA board, show that the level of international concern is great.

There are differences to the methods, but we shouldn't shy away from the fact that I think all the key players on this share that first thing you mentioned, Richard, which is to prevent Iran from getting a nuclear weapon or the capability for one.

What has underpinned the British approach to this for many years is a wish to find a peaceful and diplomatic solution. That sounds trite, but it is true, because our analysis of the alternatives to peaceful and a diplomatic solution are I think the same as most of – I would imagine – this audience's would be. That it is likely to take us down a path, a violent path which would again not serve our interests or those of the countries in the region.

Those who've worked on this agenda inside government and out, whichever government that is, will know how important the legality, both international law and our own law is. And I think it is worth me restating here that that's... the legality of our approach is a key fact in anything and everything we do in terms of trying to achieve this policy aim.

The pressure, the sanctions that have resulted or have been part of that approach over the last years have had two main aims. And again, I apologise if this is going over old ground, but it is partly because, as I should have said at the beginning, I've warned Richard what I will be saying today. Do not expect any bold policy announcements. You wouldn't have been.

But therefore I think it's worth me reminding people that a lot of the sanctions are directly targeted against the nuclear programme. It is designed to slow down and stop the direct process, the direct elements of that programme. It is right that that is the case. That there is that very clear, direct link to the procurement for and the promotion of what we believe to be an illicit nuclear weapons programme.

But as the years have gone by, as Richard suggests, being frank, that has not achieved the effects we wanted. Inevitably, that sanctions pressure has broadened and more elements of it now are designed to change behaviour of the leadership of Iran, as opposed to specifically and directly targeting the programme itself. Again, I would argue that that is legitimate, given the length of time Iran has chosen not to comply with the demands that are being put on it through the Security Council resolutions and through the agency.

There is a sense sometimes that Iran is being demonised, that its behaviour with respect to its nuclear programme and with respect to safeguards, obligations and respect to the agency is overdone. William Hague, the Foreign Secretary, wrote an article earlier this summer which some of you, I hope, may have seen, which set out what was both technically credible but also plausible and convincing to a lay audience; why we believe – and this is absolutely critical to our current approach – why we believe that there is no plausible justification, no plausible argument that Iran can produce that its nuclear activity is aimed purely at a civil nuclear programme.

There are people much more expert on this who may well choose to take issue with that, but from our expertise, from our internal experts from across the UK government but also the governments we work with, it simply does not make sense for Iran to be carrying out nuclear activities it is doing, if all of its intent is a civil nuclear programme.

That is particularly true of the developments at the Bushehr Plant, it is true of the enrichment to 20 percent. One could come up with partial answers to why both of those things might be part of a coherent Iranian programme for civil nuclear power, but they don't have such a coherent picture, and I don't think any of us should be taken in by that.

That is a UK view, but I think the other critical piece of information, the other critical document for those who don't believe the seriousness of the challenge, is the annex to the Director-General of the Agency's report, I think from April. I think it's the April report, which sets out very clearly both some of the... Sorry, February, I beg your pardon. Which set out some of the areas where Iran had declared activities, but also in one very simple page, set out the areas where Iran is not meeting its obligations.

And it's a long list. There's no need for me to run through them, I think on this occasion. But they are... they run through every single part of Iran's nuclear activity, and I think reinforce the case as to why this challenge is so great and why we cannot ignore the fact that this current Iranian government has a set of nuclear activities which appear to us to have only one explanation, which is the pursuit of a nuclear weapons capability.

Richard used the phrase to do more and to do better. We are in government, including in discussion with experts such as Richard and Peter and others, constantly trying to find different ways of achieving this diplomatic and peaceful solution. We do that here in London, we do that in other capitals too.

I think those who are most familiar, and you can talk to people in other governments too, with the most recent face-to-face talks with the Iranians, whether it's in Geneva or Istanbul, will I think accept that the E3+3 countries, which does reflect a broad range of opinion in the tactical approach to Iran, went into those meetings, open to an equal amount of imagination from the Iranian side and I think it's also equally clear that we got none.

To be honest, in Geneva that was not an enormous surprise. In Istanbul it was more of a surprise. I think the six countries felt that with the level of imagination and flexibility that we were showing, with the willingness to take some kind of step by step approach to get this moving, the willingness to re-examine the details of something like the deal that Richard referred to as a Turkish Brazilian initiative on the Tehran research reactor. All of that kind of thing, all of those issues, all of those ways forward, all those ways to start this moving, were on the table.

And they were very, very clearly rebuffed by the Iranian delegation. Now we know that the format of those meetings is not always easiest for any of us.

But particularly for an Iranian system which internally may be having its own debates as to what the right approach is, but there is flexibility and a willingness to look at different ways of getting this negotiated process working.

There is flexibility as to which of the many demands placed on Iran by the resolutions and by the IAEA are critical in the short term. It is not the case that Iran is being asked to do absolutely everything up front and getting nothing for it. That has been made clear directly to the Iranians in those meetings. We have our own diplomatic contacts with the Iranians. We get the point across and certainly all but one of the six countries in the E3+3, do likewise.

There has been perhaps the most recent example of that, and it's really for the Russian government to explain in detail its initiative, but you'll be aware I think of comments made after the visit of Iranian Foreign Minister Salehi to Moscow recently, and then the subsequent visit by various senior Russian officials to Tehran.

Again, where that was a Russian attempt, bilateral attempt but certainly with a knowledge of the E3+3 obviously, to again, to try to see whether there was some flexibility in the Iranian system about getting this process of discussion going.

I think it's fair to say that Russian colleagues found the response in Tehran disappointing. The E3+3 met again as some of you will be aware, at political director level in New York last week. And we will continue to do so, to see whether we can come up, within the broad framework of our current approach, with things that can help the Iranians move. Because we know that if we are going to get a shift from the Iranian system, that will not be easy for those who want to make the shift.

We will show imagination. We will try to give the openings. Equally, we will not, I think shift the fundamental approach, which is a complex one as I said at the beginning. It's one which is open to engagement but is also convinced that Iran is not going to change its behaviour without a level of pressure. The current level of pressure is growing, both in the sense of new measures being applied, but also the cumulative effect of the measures on the economy.

I think the key judgement which we will have to make is whether that mixture of engagement and pressure is going to work in time. That is not a formal conclusion. We accept that. Which is why we need to keep being imaginative on both tracks, both on the pressure track but also on the engagement track.

I'm conscious that I think I'm overstaying my welcome at the podium. I am sure there will be a feisty question and answer session at the end. So I will give way to Peter.

Richard Dalton:

Thank you very much, Jon. Peter Jenkins joined the diplomatic service in 1973. His career took him to Vienna twice, and a variety of other overseas posts. In 2001, he was made Ambassador to the International Atomic Energy Agency and other UN organisations at Vienna. There, his primary focus was on the nuclear aspects of international peace and security, especially the Iranian nuclear issue.

More recently, Peter has joined forces with former colleagues to form ADRg Ambassadors, a dispute settlement and a corporate diplomacy problem solving partnership. Peter.

Peter Jenkins:

Thank you very much, Richard. I'm going to start by explaining why the present policy, the policy that Jon has just set out and if I may say so, defended so ably, why there are aspects of it that worry me. And then in the second part of my presentation I'll try and be more positive and more constructive.

I don't want what I'm going to say to be taken in a spirit of criticism, because I think that would be a very bad taste, given my own diplomatic service background. And because I realise that UK policy-makers have very good reasons for not diverging on this issue from US policy-makers. And that US policy-makers have to have a policy that will placate Congress, which is full of American politicians who have the deepest of distrust of Iran. And who would rather see the American President negotiate with the devil than engage in engagement with Iran.

So what are the things that worry me? Well first, I contend that there's a whiff of illegitimacy about our present policy. The fact is, and it's an awkward fact, an unwelcome fact, but it's a fact, that neither the NPT nor the IAE statute require a state that has been in non-compliance with its safeguards obligations – as of course Iran was during 18 years – requires such a state to suspend or abandon any of the nuclear activities that are allowed under the treaty. Nor do they justify trying to coerce a state to abandon such activities.

And secondly, Chapter 7 of the UN Charter – which has of course been used to bring in a number of 'international obligations' that Iran is not meeting – Chapter 7 does of course authorise the Security Council to impose sanctions on a state like Iran. But it seems to require a prior determination that the activities that are being sanctioned represent a threat to the peace.

At no stage has the Security Council, and it's introduced I think it's five resolutions now against Iran, but none of those resolutions contains a clear-cut determination that Iran's nuclear activities represent a threat to the peace. In my view, that's not entirely surprising.

Second preliminary point... Oh, I've forgotten a preliminary point that I wanted to make. If you'll forgive me interrupting myself, but it's quite an important one. Everything I'm going to say is predicated on the assumption that Iran is not yet a nuclear-armed state and that its leaders have not yet taken a decision on whether or not to produce nuclear weapons.

In December 2010, President Putin said, 'We do not have grounds to suspect that Iran has aspirations to possess nuclear weapons.' And in February 2011, US Director of National Intelligence Clapper said, testifying before Congress, 'We continue to assess Iran is keeping open the option to develop nuclear weapons, in part by developing various nuclear capabilities that better position it to produce such weapons should it choose to do so. We do not know, however, if Iran will eventually decide to build nuclear weapons. Iran's nuclear decision-making is guided by a cost-benefit approach which offers the international community opportunities to influence Tehran.' That was, as it were, one of the preliminary points I wanted to make.

Now, to return to the things that are troubling me. Secondly, I'm not sure that the present policy is very well judged if one considers Iranian mentalities, if you like, Iran's self-sense of national identity. Iranians are a proud people who are conscious that they're heirs to one of the oldest and greatest Asian civilisations.

They fell on hard times in the 18th century, but they still have a strong sense of their own worth. They react best to foreigners who treat them with respect and civility. They look for reciprocity in their dealings with other nations. They are not the sort of people who are likely to buckle under pressure. On the contrary, all the evidence is that pressure brings out a streak of defiance in their nature and a certain obstinacy.

Third, I think the present policy is risky because it encourages the general public in the West to believe that Iran's nuclear activities present a clear and present danger that needs to be eliminated by fair means or foul. I'm fairly

confident that the current incumbent of the White House won't yield to pressures to take a military action against Iran, but who knows who will replace him, sooner or later in the White House, and whether that replacement will be as wise. I think you all know, you don't need me to spell out, how devastating for the West would be a confrontation with Iran, a military confrontation over its nuclear programme.

Fourthly, it's costly. The current approach is costly. It's inhibited the development of Iran's oil and gas reserves. Iran is currently producing 60 percent of the oil it produced in the last years of the Shah. Yet over the last decade, demand for oil in Asia has surged, taking with it global demand. And now global supply is scarcely keeping pace with global demand. The result we've all seen at the petrol pumps. The West actually needs more Iranian oil, not less.

The policy is also costing Western exporters orders which have gone to Asian competitors, and now the alleged Iranian nuclear threat is being used to justify the construction of an expensive ballistic missile defensive screen in the eastern Mediterranean.

And finally, the policy is counter-productive in that it's led Iran to restrict IAEA inspector access to the minimum that is required legally under its NPT safeguards agreement. I'm confident that were we able to come to some kind of understanding with them on the nuclear side, Iran would reapply the additional protocol which allows for much greater IAEA access. And that great IAEA access would provide much better monitoring of Iranian nuclear activities than we get at the moment.

I just want to return for a moment to the issue of legitimacy. I'm using the word to suggest that there are certain actions that may be defensible legally, but that strike reasonable people as ethically dubious. Now it may seem that that's neither here nor there, that this is really rather a trivial point.

I contend that in the long run it's not trivial. I believe that ethical legitimacy is crucial to western leadership of the global community. That the absence of legitimacy, the absence of justice, if you like, will in the long run breed disaffection and resentment and in the even longer run will possibly breed resentment. It will undermine, in other words, western leadership of the global community.

And in this particular instance, I can see it undermining support for the nuclear non-proliferation regime among the numerous non-nuclear weapon states, who are very attached to their nuclear rights under the NPT and to see that we are trying to impose on Iran a derogation from those rights.

I think it will undermine support more effectively than allowing Iran to do what it clearly is doing, which is exploit a loophole in the NPT that has existed since 1968. A loophole that allows states to develop certain technologies alleging that they're for peaceful purposes, when in fact the likelihood is that what they're seeking is a kind of latent defensive deterrent nuclear capability.

Now what do I propose? I think that there's a lesson to be learnt from a small mistake that the three European foreign ministers made when they went to Tehran in October 2003. The mistake is this. They failed to tie suspension explicitly to the provision by the IAEA of assurances that there were no undeclared nuclear activities or material in Iran.

This led over time to us coming to believe in the West that suspension was a must-have confidence-building measure, instead of realising that the real must-have confidence-building measure is assurances from the IAEA that there are no undeclared nuclear activities or material in Iran. And instead of realising that suspension is actually a confidence-building measure, the value of which is declining as Iran proceeds, progresses towards mastering enrichment technology.

Applying this lesson means that the core demand now, the core demand that we should be making of Iran, is not suspension, but that they do whatever is necessary to enable the IAEA to provide assurances that there are no undeclared nuclear activities or material in Iran as of 2011.

In return for that, because you can be sure the Iranians will want something in return, we should make a formal commitment that once those assurances are forthcoming, and once Iran has reapplied modified code 31 of its subsidiary arrangement, a very technical but important issue, then the Security Council will repeal UN sanctions. I'm not talking about bilateral sanctions, but UN sanctions. And we'll close the Iran nuclear file.

That might seem like a big concession. In fact, it's a very logical concession, because once the IAEA has certified that a state is in full compliance with its NPT obligations, there is no justification for Chapter 7 sanctions against that state.

What I believe is that once the log jam that has developed over the last six years over the issue of suspension, once that log jam is broken, then Iran will be open to discuss a number of confidence-building measures. Voluntary confidence-building measures, but useful confidence-building measures. I'm thinking of reapplying and ratifying the IAEA additional protocol, which gives us enhanced access, committing to limit production of low enriched uranium to reactor fuel needs, committing to ratify the Comprehensive Test Ban Treaty

on the day following Israeli ratification of the CTBT, committing to apply nuclear export controls in accordance with the nuclear suppliers group guidelines, negotiating a sub-regional nuclear weapon free zone, by which I mean a nuclear weapon free zone that covers all the countries that are a 'but' on what we call the Persian Gulf. Unfortunately I fear it's going to be many, many years, if not decades, before a nuclear weapon free zone covering the whole of the Middle East can be negotiated and come into force.

And finally, perhaps, agreeing to set up with Turkey a bilateral safeguards agency. This wouldn't replace IAEA safeguards, it would complement them. The model is ABACC, a safeguards agency being set up by Argentina and Brazil when those two states decided to abandon their nuclear weapon programmes. And it was set up as a confidence-building measure and it's worked very effectively to that end in South America.

So at the end of the sort of process I'm outlining, I would like to think that the risk of confrontation in the Gulf will have been much reduced. The NPT and the IAEA statute will have been upheld. Faith will at least have been partially restored in the wisdom and justice of western leadership of the global community. And an increase in global oil will be a prospect.

There is, of course, Jon mentioned it, there is the possibility that other states in the Middle East will feel uneasy about Iran effectively having a latent capability to produce nuclear weapons, but if you actually think about which are the Middle Eastern states that might be most worried by that, I think it actually only comes down really to one, and that's Saudi Arabia.

And we all know that Saudi Arabia enjoys the closest of relations with the United States and that the United States would be very reluctant indeed to see Saudi Arabia embarking on that kind of nuclear programme. I don't myself see Turkey having any aspiration to match an Iranian latent nuclear weapon capability. And Egypt would have to be very worried about how Israel would react to any Egyptian move in that direction.

The other... I've nearly finished, Richard, I'm so sorry. The other advantage of course, or the other thing that I would like to hope would result from what I'm advocating is that the nuclear issue will have become disentangled from the very fraught and emotional relationship that exists between the United States and Iran. And so the risks of emotionally motivated misjudgements leading to confrontation will have been reduced.

At the same time, the West will continue to be entirely free to take Iran to task for its abuses of human rights and for any other infringements of international obligations.

Finally, I can hear someone ask the question, 'What happens if in a moment of folly, Iran's leaders do decide to produce nuclear weapons?' Well, I contend that the West having reverted, if you like, to playing things by the book, the West will be in a much stronger position to rally the global community to support whatever action is needed to deter Iran from going down the path of producing nuclear weapons.

I think there's a world of difference between invoking Chapter 7 of the Security Council to interdict a clear breach of article 2 of the NPT, a vital article, and invoking the chapter 7 to try and impose on Iran against its will a derogation of its NPT rights. Thank you. And I'm sorry if I've overrun.