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In this issue...

The new issue for the periodical we have started publishing under the name "Foreign Policy Bulletin" since April 2007 now has a more inclusive content parallel to TESEV's expanded foreign policy vision and the wide range of working areas. As Turkish internal politics are closely focused on the elections lately, we wanted to drift away from the heated discussions on the parliamentary elections and shift the focus to issues of external politics which are of equal importance.

In this issue you can find comprehensive analyses and concrete suggestions for the solution of the crisis in Northern Iraq and the Kirkuk question, which are the most intriguing foreign policy matters in Turkey at the moment. With the articles discussing the current situation of Turkey-European Union relations, the EU's Iran strategy and evaluating the political portrait of the changing transatlantic relations, we aimed to give the reader the opportunity to examine the new horizons within the European Union's external affairs agenda.

Apart from these, you will find an article on the current situation in France after the elections, and the outlook on the times to come. A prospective approach on the Armenian-Turkish relations after the elections in Armenia was written from first hand observations. We hope that these and the rest of the bulletin will give the readers food for thought.

Sincerely,

Assoc. Prof. Dr. Mensur Akgün
Director/ TESEV Foreign Policy Programme

Has the EU Got Its Iran Strategy Right?

Richard Youngs, FRIDE, Madrid

European governments are right to oppose military action against Iran. There is widespread agreement that strategies of overt confrontation have played and are likely to play into the hands of hard-liners in the Iranian regime. Although the latter is widely disliked by its own people, most Iranians support their country's right to nuclear technology.

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The European Union (EU) has played an important and valuable role in keeping alive negotiations and engagement with Iran. Its delicate mix of dialogue, incentives and pressure has rightly been seen as an archetype of the nuanced and multifaceted presence, the EU's foreign policy can bring to bear. This certainly represents more than the kind of passive 'soft power' invariably (if often inaccurately) attributed to the European Union's international identity.

As further decisions on the tightening of sanctions now approach, the challenge for the EU resides in ensuring that its objectives with respect to Iran's nuclear programme do not undermine longer term aims. There is at least some doubt that the extent of the EU's focus on the nuclear dossier addresses the symptoms more than the underlying roots of tensions between Iran and the West. Arguably, the EU has expended political capital on a policy goal of containment that looks unlikely to be sustainable over the long term, even if modest concessions are won from Tehran in the short term. And it has pursued its nuclear diplomacy in a way that undercuts a focus on factors that might unlock a more firmly rooted degree of engagement and cooperation between Europe and Iran.

One consequence of the EU's (or the 'EU3') diplomacy since the discovery of Iran's nascent nuclear programme in 2002 is that support for

Iran's domestic reform has dwindled. Such support emerged and grew during the initial years of the Khatami government. The EU eschewed any aim of full scale 'regime change', but rather worked usefully at a low level in backing rule of law reforms and civil society actors. After 2002, European governments made the conscious decision to decouple reform issues from nuclear discussions. A common argument was that pushing Iran on too many fronts would increase the likelihood of nuclear cooperation between Tehran, on the one hand, and Russia and China, on the other hand.

By mid 2004, the EU-Iran Human Rights Dialogue had lost momentum and reform projects dried up. EU reactions to democratic reversals remained timid. Manipulation in the run-up to the February 2004 legislative elections, from which the regime banned nearly 4000 reformist candidates, triggered only tepid criticism from European governments. Indeed, a number of member states signed bilateral investment treaties with Iran just as the clampdown against Iranian reformers intensified.

In short, the period 2002-2005 saw a shift in policy from reform-guided geostrategy to a focus on nuclear containment. The increasing influence of Iran's 'pragmatic conservatives' on the nuclear dossier led European governments to the judgement that a trade-off existed between support for reform and security interests.

Events since the election of president Ahmadinejad in 2005 leave the notion of such a trade off looking at best like a chimera. Critics are right to denounce the tendency of some Western governments and commentators to vilify Ahmadinejad, misrepresent his more

colourful pronouncements or simply neglect the domestic-orientation of some of his more hard line positions. But at the same time, it is difficult to deny that many developments since Ahmadinejad's election suggest a deepening process of deliberalisation in Iran. A re-centralisation of presidential powers has been witnessed. Restrictions have increased on civil society groups and the press. This challenge to democracy relates not so much to Ahmadinejad himself as to the bifurcated institutional structure of Iran's political system, embodied in the influence of an unelected strand of power in the Islamic Republic.

While it would be a mistake to assume reformers are 'soft' on the nuclear issue, gradually it has been those conservative politicians frustrating internal reform who have pushed for a tougher line on nuclear cooperation. European governments have increasingly criticised the stifling of what had been one of the Middle East's most vibrant home-grown reform movements. This represents a belated recognition that it is at least sometimes mistaken to assume that a rightful trade off exists between security interests and human rights. Iran's deliberalisation started well before Ahmadinejad's election – his rise was indeed consequence more than cause of this trend. And yet Europe re-focused on the narrowing of political space only when a more direct link could be detected between such deliberalisation and Iran's more assertive nuclear diplomacy. In such instrumentalism lies a lesson for the broader enterprise of human rights support.

European governments are right to oppose military action against Iran. There is widespread agreement that strategies of overt confrontation have played and are likely to play into the hands of hard-liners in the Iranian regime. Although the latter is widely disliked by its own people, most Iranians support their country's right to nuclear technology. A spirit of unity in adversity has made it easier for the regime to clampdown on reform.

But the EU does need to monitor and understand more fully than in the past, the complex links between internal and external policies in Iran. These complexities suggest a need to avoid two extremes: that of thinking that 'regime change' is the secret to ensuring better relations with the West; but also that of thinking that it can be in the EU's long term interest to condone a drift away from reform as a condition for any deal on the nuclear issue. The EU needs to chart a way between these two extremes.

The EU needs to consider how in the current context it can provide oxygen to Iran's embattled reformist movement. It needs to consider how to develop reform-minded engagement, without being overly interventionist; but equally it needs to avoid pursuing a particular line on the nuclear issue – or indeed on the increasingly prominent issue of energy security – that completely subordinates the defence of human rights. In some senses, Iran offers more potential, good quality access points for reform support than other countries in the region that should not be neglected.

The advisability of more meaningful sanctions is inevitably difficult to determine. As always, a fine balance exists between the risk of sanctions undercutting reformers on the one hand, and ignoring domestic voices calling for firmer international pressure on the other hand. But if additional sanctions do win EU support they should at least be used transparently and as leverage not only for a nuclear deal but also for greater civil society and press freedoms. There is a growing perception that European views on sanctions are also increasingly coloured by Iran's potential importance as an energy supplier. While there exists no easy or generalisable conclusions on whether sanctions are likely to work, such perceptions are unlikely to contribute positively to the EU's broader and longer term aims.