



### THE IRANIAN NUCLEAR PROGRAM - GOING BACK TO SQUARE ONE

By  
**Rehab Sohail**  
*Intern*

Edited by  
**Najam Rafique**

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*(Views expressed in the brief are those of the author, and do not represent those of ISSI)*



**Tensions are still high between the United States and Iran, even forty years after the 1979 Iranian Revolution. As Iran continues to pursue its nuclear program - with varying degrees of success - and cultivate proxy forces throughout the region, discontent and animosity for conflict continue to rise.**

After a brutal war with Iraq, Iran made the executive decision to begin the development of nuclear weapons primarily for national security.<sup>1</sup> In the 1990s, Iran had gone on to pursue nuclear agreements with China and Russia for support on its advancing research into the development of nuclear weapons.<sup>2</sup> Nevertheless, under burgeoning international scrutiny, Iran agreed to terminate its nuclear weapons program in 2003-4, insisting that it only be permitted to sustain its nuclear centrifuges for nuclear energy.<sup>3</sup> However, when the International Atomic Energy Agency (IAEA) disclosed the fact that Iran had continued pursuing nuclear weapons later in 2003, which was a violation as a signatory of the Nuclear Non-Proliferation Treaty (NPT), a coalition of countries known as the P5+1 - the United States, China, Russia, France, United Kingdom and Germany - began an array of arbitrations in an attempt to minimize and necessitate Iran's nuclear program and the prevention of further development of nuclear weapons.<sup>4</sup> A multitude of sanctions were put into place by the US and the UN Security Council as a means to cease uranium enrichment and come to

<sup>1</sup> "Confrontation Between the United States and Iran | Global Conflict Tracker." *Council on Foreign Relations*. August 6, 2019. <https://www.cfr.org/interactive/global-conflict-tracker/conflict/confrontation-between-united-states-and-iran>

<sup>2</sup> *Ibid.*

<sup>3</sup> *Ibid.*

<sup>4</sup> *Ibid.*

the negotiating table.<sup>5</sup> Over the course of the following two years, bilateral talks, as well as P5+1 negotiations with Iran, were convened by the United States. These talks eventually resulted in the culmination of an official agreement, the Joint Comprehensive Plan of Action (JCPOA) which was signed in July 2015 and went into effect the following January.<sup>6</sup> This agreement imposes restrictions on Iran's civilian nuclear enrichment program, with the intent to, "set back Iran's nuclear program so that if Iran were to pursue a nuclear weapon, the amount of time it would need to produce enough fissile material - an indicator known as "breakout time" - would be at least a year, up from just a few weeks."<sup>7</sup> The JCPOA also gave international inspectors pervasive access to its facilities in exchange for economic sanctions relief imposed by the European Union, the United Nations and the United States.<sup>8</sup>

However, in light of recent events, the JCPOA agreement is slowly regressing. Given that the agreement exclusively addresses Iran's nuclear program, rather than its revisionist or ballistic missile policies, which Iran has unwaveringly continued. The United States has believed this to be a violation of the sanctions relief resolution administered by the UN.<sup>9</sup>

Thus, in May 2018, under President Trump's "maximum pressure campaign," the United States has effectively withdrawn from the JCPOA, in the hopes of achieving a more exhaustive deal.<sup>10</sup> Since the withdrawal, the United States has re-imposed and administered new sanctions against Iran and demanded that the European countries withdraw from the JCPOA and come together as part of a new containment strategy.<sup>11</sup> While countries such as France, Germany and United Kingdom had initially dismissed the United States demand, they had undertaken a backchannel for trade with Iran and continued to import Iranian oil under remissions granted by the Trump administration, and Iran, in turn, continued to abide by its commitments.<sup>12</sup> However, a year later, the United States ended the waivers in an attempt to "bring Iran's oil exports to zero, denying the regime its principal source of

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<sup>5</sup> *Ibid.*

<sup>6</sup> *Ibid.*

<sup>7</sup> Laub, Zachary. "What Is the Status of the Iran Nuclear Agreement?" *Council on Foreign Relations*. July 31, 2019. Accessed August 05, 2019. <https://www.cfr.org/backgrounder/what-status-iran-nuclear-agreement>

<sup>8</sup> *Ibid.*

<sup>9</sup> "Confrontation Between the United States and Iran | Global Conflict Tracker." *Council on Foreign Relations*. August 6, 2019. <https://www.cfr.org/interactive/global-conflict-tracker/conflict/confrontation-between-united-states-and-iran> Schulberg, Jessica, and Huffington Post. "Key Excerpts." *DocumentCloud*. July 2015. Accessed August 04, 2019. <https://www.documentcloud.org/documents/2165489-key-excerpts.html>

<sup>10</sup> "Confrontation Between the United States and Iran | Global Conflict Tracker." *Council on Foreign Relations*. August 6, 2019. <https://www.cfr.org/interactive/global-conflict-tracker/conflict/confrontation-between-united-states-and-iran>

<sup>11</sup> *Ibid.*

<sup>12</sup> Laub, Zachary. "What Is the Status of the Iran Nuclear Agreement?" *Council on Foreign Relations*. July 31, 2019. Accessed August 05, 2019. <https://www.cfr.org/backgrounder/what-status-iran-nuclear-agreement>

revenue.”<sup>13</sup> The European signatories (E3), however, reiterated their commitment to the JCPOA by initiating a barter system with Iran in an effort to keep the nuclear agreement intact.<sup>14</sup> Thus, the *Instrument in Support of Trade Exchanges*, or INSTEX, was established to facilitate transactions with Iran extrinsic of the US banking system.<sup>15</sup>

As retaliation towards US withdrawal, however, Iran has responded by resuming some of its nuclear activities, leaving the agreement in an attenuated state. This raises the risk not just of Iran accelerating its nuclear program, but also of a military clash in the Persian Gulf.<sup>16</sup> These rising tensions could spark a monumental confrontation between Iran and the United States.

Under the circumstances of continued breach of the JCPOA limits, Iran’s conduct could result in the United States and Israel regulating a military operation against Iran’s nuclear installations.<sup>17</sup>

The possibility of a direct military clash between the two powers would likewise adjoin to the existing critical situation. Washington has progressively been increasing its military presence in the Middle East as a repercussion to heightened Iranian threats.<sup>18</sup> Iran could also respond to these actions by means of increasing its own missile strikes, targeting the 70,000 US troops that are deployed throughout the region.<sup>19</sup> The US has proclaimed that any American deaths would prompt a robust response.<sup>20</sup> If Washington continues to “pursue a coercive maximalist strategy whose endgame is Iran’s capitulation rather than diplomatic engagement,” one can anticipate further dissention rather than de-escalation.<sup>21</sup> Reaction need not be intentional either: with prevailing mistrust and hindered communication channels between the two powers, the possibility of an isolated and accidental incident to occur and become assertive could happen quite readily.

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<sup>13</sup> *Ibid.*

<sup>14</sup> Commonwealth Office. "E3 Statement on the Joint Comprehensive Plan of Action: 14 July 2019." *GOV.UK*. July 14, 2019. Accessed August 05, 2019. <https://www.gov.uk/government/news/e3-statement-on-the-joint-comprehensive-plan-of-action-14-july>

<sup>15</sup> Laub, Zachary. "What Is the Status of the Iran Nuclear Agreement?" *Council on Foreign Relations*. July 31, 2019. Accessed August 05, 2019. <https://www.cfr.org/background/what-status-iran-nuclear-agreement>

<sup>16</sup> *Ibid.*

<sup>17</sup> "How the EU Can Soften Iran-U.S. Tensions." *International Crisis Group*. July 26, 2019. Accessed August 05, 2019. <https://www.crisisgroup.org/middle-east-north-africa/gulf-and-arabian-peninsula/iran/how-eu-can-soften-iran-us-tensions>

<sup>18</sup> *Ibid.*

<sup>19</sup> "Confrontation Between the United States and Iran | Global Conflict Tracker." *Council on Foreign Relations*. August 6, 2019. <https://www.cfr.org/interactive/global-conflict-tracker/conflict/confrontation-between-united-states-and-iran>

<sup>20</sup> "How the EU Can Soften Iran-U.S. Tensions." *International Crisis Group*. July 26, 2019. Accessed August 05, 2019. <https://www.crisisgroup.org/middle-east-north-africa/gulf-and-arabian-peninsula/iran/how-eu-can-soften-iran-us-tensions>

<sup>21</sup> *Ibid.*

Another potential challenge in the face of confrontation would also be the possibility of proxy wars being triggered within the region. In countries facing discontent from the onset such as Yemen or Syria, Iran and the United States could exacerbate the situation, and draw tensions deeper within the Middle East. For instance, if an unforeseen attack by Afghanistan's Taliban were to take place within Afghanistan against a US military facility resulting in loss of life, the blame could quite easily be assigned to Iran, followed by expected retaliatory attacks without confirmation whether Iran or its Middle Eastern neighbors really bear primary responsibility.<sup>22</sup> If confrontation between the two powers were to occur, especially in circumstances such as these, the discordance would draw in other state and non-state actors within the region, "rapidly devolving into a larger conflagration."<sup>23</sup>

Although a wholehearted regional conflict, the intervention of a hegemonic power such as the United States has resulted in an unbalance within the Middle East, and with an array of issues presented to the international arena, one must bear in the mind the ways in which to regulate unanticipated actions from all sides of the spectrum. European action is thus essential for addressing these challenges.

Ensuing the withdrawal of the United States from the JCPOA agreement, Iran accused the Trump administration of "reneging on its commitments," and of Europe of submitting to US unilateralism.<sup>24</sup> Thus, one way to maintain harmony between the Middle East and the European Union would be to further intensify the ongoing efforts to expedite trade with Iran through INSTEX by injecting several billion Euros worth of export credit in the mechanism to render it functional, and by expanding it to other EU and non-EU countries to prevent further accumulative breaches of the JCPOA's nuclear restrictions by Tehran.<sup>25</sup> The involvement of non-EU states such as China or Russia, which continue to import oil from Iran, as well as act as conduits for exporting petrochemical derivatives from Iranian oil to Europe, respectively, could assist in generating crucial funds for European exports in Iran.<sup>26</sup> In an effort to guarantee acquiescence, the EU should continue to maintain a meticulous balance between supporting the amalgamation and expansion of INSTEX and censuring Iran's missile program, regional policies and human rights record; and should stay united in its response to any further breaches of the JCPOA by Iran.<sup>27</sup>

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<sup>22</sup> *Ibid.*

<sup>23</sup> *Ibid.*

<sup>24</sup> Laub, Zachary. "What Is the Status of the Iran Nuclear Agreement?" *Council on Foreign Relations*. July 31, 2019. Accessed August 05, 2019. <https://www.cfr.org/background/what-status-iran-nuclear-agreement>

<sup>25</sup> Maez, Ali. "Iran's Nuclear Crisis: How Sanctions Work." *International Crisis Group*. May 27, 2014. Accessed August 05, 2019. <https://www.crisisgroup.org/middle-east-north-africa/gulf-and-arabian-peninsula/iran/iran-s-nuclear-crisis-how-sanctions-work>

<sup>26</sup> *Ibid.*

<sup>27</sup> *Ibid.*

Another way to soften tensions between the US and Iran is by expanding, deepening and broadening existing cooperation with Iran on development projects. Through advancements in technology and development cooperation in areas such as promotion in the private sector, water and narcotics would be able to demonstrate the EU's willingness to invest in Iran, and aid in improving the economic well-being of the Iranian people, regardless of Washington's hostile policies towards them.<sup>28</sup>

The EU should also explore potential possibilities of initiating and promoting a regional dialogue on reducing tensions and averting the un-devised outbreak of discord. By expanding the E4-Iran dialogues on Yemen and Syria to other conflict zones in the region such as Iraq and Afghanistan, a consensus in the region could be entrenched, and stabilize the nuclear deal, as well as build leverage and cooperation for non-nuclear discussions, including the de-escalation of Iran's role in regional conflicts and ultimately bring adherence to the Middle East.<sup>29</sup> Similarly, the EU should also seek discrete avenues for discussing sensitive topics with Tehran such as human rights issues or Iran's missile program.<sup>30</sup> Communication channels such as these can assist in maintaining diplomatic relations and preventing formidable escalations within the region.

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<sup>28</sup> *Ibid.*

<sup>29</sup> Rios, Beatriz. "EU Tries to Soften Impact of US Sanctions against Iran as They Re-enter into Force." *Euractiv.com*. August 06, 2018. Accessed August 05, 2019. <https://www.euractiv.com/section/global-europe/news/eu-tries-to-soften-impact-of-us-sanctions-against-iran-as-they-re-enter-into-force/>

<sup>30</sup> *Ibid.*