

The Iran Crisis: Imperatives of Immediacy, Perils of Systemic Corrosion

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Iran presents an immediate security challenge. The priority is to defuse or to push back the crisis with the available policy instruments. Establishing reliable mechanisms of commitment and supervision to ensure that Iran does not and will not develop nuclear weapons motivates the policy discussions. The choice among and sequencing of diplomacy, sanctions, covert action and military options constitutes the core substantive response to the immediate security challenge.

However, these policy responses have an impact beyond the immediate crisis and leave a mark on less immediate but equally important global priorities. Cohesiveness and durability of the global economic and political order is one of those priorities. Sanctions constrain the key underpinnings of the global order including oil trade, financial system and shipping insurance. Such measures also run the risk of eroding the confidence of nations around the world in those global mechanisms as continuous, reliable structures. Similarly, normalization of covert action as a legitimate policy tool in the global psyche may be an unintended adverse consequence of the Iran crisis on global norms.

These long term concerns do not constitute an excuse to give up on the substantive steps to defuse the pressing crisis. However, they do constitute a sensible warning to think more about how the policies are shaped, communicated to the public and implemented. The world is likely to feel an increasing need for cohesive global systems as power structures evolve. Investing time and effort to heed risks to those systems may be a small insurance premium to pay, even under duress.

A second priority area where present policy choices regarding Iran will leave a systemic mark is the evolution of the broader region. Current discussions address the regional security and stability repercussions of actions against Iran. However, the implications of these actions for the long term stability, economic development and integration of the region are missing from the debate. In the absence of a regional prosperity vision that can motivate political and popular aspirations, short-term security concerns continue conditioning and shaping regional reflexes.

Again, the suggestion is not to put additional substantive demands on the immediate crisis. The emphasis is merely on the parallel need for devising a long-term security and economic trajectory for the region as the Iran policies are shaped, communicated and implemented.

Without the anchor of a positive prosperity agenda in the background, the overwhelming short-term security focus of the Iran process may inadvertently dominate and shape the broader region in its image for some time.

Therefore, in thinking about the Iran crisis, it may be wise to consider not only the current process but also the broader systemic implications. Long term systemic concerns may not change the substance of the immediate actions but may add essential subtlety to substance.

THE CORE PROCESS TO DEFUSE THE CRISIS

An agreement with Iran seeks to “restore international confidence in the exclusively peaceful nature of Iran’s nuclear program while respecting Iran’s right to the peaceful use of nuclear energy”(from Lady Ashton’s letter to Saeed Jalili March 2012).

Given the history of mistrust, restoring international confidence will, at a minimum, require expansive IAEA inspection authority that may go beyond the Additional Protocol, termination of enrichment beyond 5% and finding an agreeable solution for excess MEU and LEU stocks. In return, Iran will at least expect the right to nuclear technology including research, enrichment and production of nuclear energy for peaceful purposes as well as the termination of some recent and pending sanctions.

It is not clear whether this basic deal can be achieved. Iranian leadership is at times portrayed as pragmatic and rational in assessing costs and benefits. The current and pending sanctions and the prospect of military strikes may, in theory, be a sufficiently high cost to convince Iranian leadership to agree on such a deal.

However, Iranian leadership also appears to be strongly motivated by symbolisms and ideologies, especially in relation to Israel and the US. This tendency is closely interlinked with politics and political rhetoric. Therefore, a pure cost benefit calculus may not be enough to resolve the current impasse. A credible symbolic gain for Iranian leadership appears to be necessary to offset the accumulated anti-Western rhetoric.

A compromise in some dimension of the negotiations that would position Iran as a nation with international impact and influence might allow the leadership to make the leap. Many Iranian demands in past negotiations appear to be red herrings, but they could provide clues to P5+1 negotiators about potential non-critical concessions with a narrative value. Those concessions may be substantive or procedural. Even the involvement of actors, upon Iran's request, other than P5+1 in shaping or implementing the agreement may provide the requisite symbolic signal.

If the broad balance between Iranian right to peaceful nuclear technology and international demand for assurances is not attainable, the negotiations are likely to fail. In that scenario, the current political discourse suggests a non-negligible probability of military action with deeply alarming implications and repercussions.

An alternative steady state scenario, in theory, is Iran becoming a "nuclear threshold state" in return for even more intrusive surveillance. That balance is not desirable for the international community. Regional arms race and proliferation concerns may not subside under that scenario. However, it may be worthwhile as an intellectual exercise to explore and broaden the definition of a "nuclear threshold state" as a continuum of gradations where the distinction with a non-nuclear weapons state would become blurred at the margin.

Systemic Implications for the Global System

The immediacy and the gravity of the Iranian challenge focus the current policy debate on getting results and defusing the crisis. Sanctions, use of clandestine methods and threat of military strikes are predominantly assessed, shaped and implemented with the goal of compelling the Iranian leadership to accept the terms of the international community. However, these measures have direct and indirect implications for parties other than Iran and for the global system at large.

Sanctions:

Sanctions harm not only Iran, but also its trading partners. Neighboring countries are especially affected. Based on trade volumes and proximity, the economic harm is unevenly distributed. Measures to alleviate the burden on trading partners that are unduly affected would solidify the broad consensus behind the sanctions. Introducing more subtlety to substance in shaping and implementing sanctions may render them more sustainable and effective.

The non-UN sanctions are particularly sensitive because they introduce unilaterally imposed restrictions in the infrastructure of the global economy. Global banking, reserve currencies, shipping insurance, oil trade are all among the key underpinnings of the global economic system. Broadly shared international confidence in these systems is

essential to their functioning. The erosion of that confidence would undermine them in the long run. The search for parallel structures that will be immune to unilateral actions may gain ground.

The enforceability of unilateral sanctions is closely linked to the sanction-imposing state's leverage in the global economy. It is important that such leverage is used under very exceptional cases and that its exceptional nature is publicly and privately conveyed. If the Iranian crisis continues and the need for unilateral sanctions remains, it is of paramount importance to convey their exceptional nature and to use public diplomacy to justify their utility.

Clandestine Operations:

The deaths of Iranian scientists, the Stuxnet incident, IRGC plane crashes have received broad public attention as elements of the efforts against Iran's nuclear program. The officials have naturally denied any state involvement but the extensive media coverage appears to have normalized clandestine operations as legitimate instruments of foreign policy in the public psyche, at least in some parts of the world. Normalization of clandestine operations is a serious and unnecessary cost to pay in the global effort to defuse the crisis.

Military Strikes:

Although a military strike against Iran's nuclear assets is frequently debated, the legality of the prospect is not adequately addressed.

Achieving legality through the UN is a possibility but current international dynamics do not seem promising. Given the absence of hard evidence to show that Iran is pursuing a nuclear weapons program at this stage, even building an informal consensus in the international community may prove to be difficult.

The current non-proliferation regime appears to be inadequate in determining and acting on ill intent given the complexities of dual-use. That is a structural challenge for the non-proliferation regime and needs to be addressed.

Reaching an agreement with Iran is a difficult task and requires the use of all necessary instruments at hand. However, eroding confidence in global norms and structures is a high cost and should be avoided if at all possible.

Regional Implications of the Core Process

The wider Middle East is going through a transformative period. It is not clear at this stage whether this long period will be defined by security challenges or economic/social development challenges.

The evolution of the Iranian deadlock will interact closely with the trajectory of the region. If Iran is beset by security considerations, it will be difficult to chart a peaceful economic growth path for its neighbors.

Iran has the potential to destabilize the region, with or without nuclear weapons. On the upside, a regionally integrated Iran would be a positive force for stability and prosperity in the region. Therefore, creating the conditions for Iran's integration with the region should be the long term objective.

In the midst of current turmoil, it appears unrealistic even to propose a development vision for the region including Iran. However, it is worth the effort to shape a coherent positive regional vision that can anchor and motivate politics and populations. Otherwise, pure security concerns will continue to condition regional leaders on all sides and their decisions will be shaped by security reflexes.

Turkish leadership is boldly advocating a vision of regional trade and integration at the risk of being perceived as unrealistic at this stage. They should be joined in that effort to develop a background vision of an alternate trajectory for the region that also includes Iran. The Turkish approach benefits from the experience of managing, at times

serious, disagreements with Iran through dialogue for nearly four centuries. The human dimension of the relation involving 1.9 million Iranian visitors and a high number of Iranian residents informs and shapes a distinct approach to the Iranian problem among Turkish decision-makers.

The suggestion is not to put additional demands on the response to the immediate crisis. The emphasis is merely on the parallel need for devising a long-term holistic security and economic trajectory for the region as the Iran policies are shaped, communicated and implemented. A regional conception of interwoven security risks and economic aspirations should inform and guide decision making in the Iranian crisis.

The Iranian crisis is an immensely difficult and alarming problem for the region and the world. Its resolution is the immediate priority. However, the interaction of this process with global norms and structures as well as the region's future should not be underestimated. There is sufficient intellectual and institutional capacity around the world to plan and shape the periphery of the core process to avoid the perils of systemic corrosion.