NEGOTIATING IRAN NUCLEAR CRISIS: TRANSATLANTIC RELATIONS AND BEYOND

by

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NEGOTIATING IRAN NUCLEAR CRISIS: TRANSATLANTIC RELATIONS AND BEYOND

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To my family, for everything…

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ABSTRACT

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Keywords: Iranian nuclear crisis, transatlantic relations, negotiation process, competitiveness, disagreement.

This study examined the nature of interactions among the United States (US), the European Union (EU), and Iran on the Iranian nuclear crisis by treating each interaction as a negotiation process. After the collection of the public statements of the US, the EU and Iran that appeared in the media, a form of content analysis, Bargaining Process Analysis (BPA), was used as the research methodology of this study. The levels of disagreement and competitiveness for each interaction were compared in analyzing the nature of the negotiation process among each party. The findings showed that among the other interactions the US-Iran interaction had the highest disagreement level and the most competitive character, followed by the transatlantic alliance-Iran interaction, the EU-Iran interaction, and the US-EU interaction, respectively, in terms of both disagreement and competitiveness scores. Moreover, it was found that the EU member states alone tended to have either higher disagreement or competitiveness scores compared to the EU's behavior as an organization. Furthermore, the US had a lower disagreement rate and was more competitive than Iran. The EU had higher disagreement and competitiveness scores than the US. This study also showed that Iran rated higher in disagreement than the EU and finally, the EU rated higher in competitiveness than Iran.

ÖZET

İRAN NÜKLEER KRİZİNİ MÜZAKERE ETME: TRANSATLANTİK İLİŞKİLERİ VE ÖTESİ

ONUR TANAY

Anahtar kelimeler: İran nükleer krizi, transatlantic ilişkileri, müzakere süreci, rekabetçilik, anlaşmazlık.

Bu çalışma her bir etkileşimi bir müzakere süreci gibi ele alarak İran nükleer krizinde Amerika Birleşik Devletleri (ABD), Avrupa Birliği (AB) ve İran arasındaki etkileşimlerin doğasını inceledi. ABD, AB ve İran'ın medyada çıkan kamu açıklamalarını topladıktan sonra bir biçim içerik analizi, Pazarlık Süreci Analizi (PSA), bu çalışmanın araştırma yöntemi olarak kullanıldı. Partiler arasındaki müzakere süreci doğasını analiz ederken her bir etkileşim için anlaşmazlık ve rekabetçilik seviyeleri karşılaştırıldı. Sonuçlar gösterdi ki, diğer etkileşimler arasında ABD-İran etkileşimi hem en yüksek anlaşmazlık seviyesine hem de en rekabetçi karaktere sahipken, anlaşmazlık ve rekabetçilik skorları bakımından bu ilişkiyi sırasıyla transatlantic ittifakı-İran etkileşimi, AB-İran etkileşimi ve ABD-AB etkileşimi takip etti. Ayrıca, yalnız olduklarında AB üyelerinin AB'nin bir organizasyon olarak davranışına kıyasla ya daha yüksek anlaşmazlık ya da rekabetçilik skorları eğiliminde olduğu bulundu. Bundan başka, ABD daha düşük bir anlaşmazlık oranına sahipti ve de İran'dan daha rekabetçiydi. AB, ABD'den daha yüksek anlaşmazlık ve rekabetçilik skorlarına sahipti. Bu çalışma ayrıca İran'ın AB'den daha yüksek oranda anlaşmazlık sergilediğini ve son olarak da AB'nin İran'dan daha rekabetçi davrandığını gösterdi.

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ACRONYMS

BPA   Bargaining Process Analysis

CFSP   Common Foreign and Security Policy

EU   European Union

EU-3   EU three: France, Germany and the United Kingdom

IAEA   International Atomic Energy Agency

NATO   North Atlantic Treaty Organization

NPA   Negotiation Process Analysis

NTA   New Transatlantic Agenda

TEP   Transatlantic Economic Partnership

UN   United Nations

US   United States

WMD   Weapons of Mass Destruction

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CHAPTER 1

INTRODUCTION

This study focuses on the nature of international negotiations among the United States (US), the European Union (EU) and Iran regarding the Iranian nuclear program. For this purpose the study first examines policy interactions between the US and the EU on the Iranian nuclear program in the period between February 2002 and November 2007. The second part of the study consists of the analysis of bargaining processes between the EU and Iran on the same policy issue. Finally, the research concentrates on the nature of the US – Iran relationship in negotiating the Iran nuclear crisis. The main question this study aims to answer is "What is the nature of interaction among the US, the EU and Iran in the Iranian nuclear program?" Therefore, the main purpose of this study is to explore the nature of relatively cooperative or competitive foreign policy behavior among the US, the EU and Iran by using negotiation literature.

This is a significant study for a number of reasons: These reasons include international attention on the issue, the actors, contribution transatlantic interaction, differences between the US and the EU, tension among the actors and the dearth of systematic study on the process of the interaction. First, the Iranian nuclear program has been one of the most significant issues in the international arena for the last few years. Second, the US, the EU and Iran are the actors that appear the most frequently in the news on this issue. Third, the significance of this issue can contribute to a deeper understanding on the nature of interaction between the US and the EU. Fourth, in their interactions with Iran, the differences between the US and the EU make this study a

more interesting one. For instance, while the US considers Iran as a rogue state in the "axis of evil" (The White House 2002), the EU tries to hold direct diplomatic talks with Iran. Fifth, the content and process of the Iranian nuclear program brings tension among the parties. Sixth, the process of interaction on the Iranian issue has not been focused on by a systematic study thus far. In order to contribute to the understanding of interaction on the Iranian nuclear issue, this study believes in the necessity of concentrating on the process and treats the interaction among the US, the EU and Iran as a bargaining process. By treating each of the interaction among the US, the EU and Iran as a bargaining process, this study aims to find the levels of competitiveness and disagreement in these interactions.

This first Chapter presents the theory of international negotiations. The second Chapter introduces the general structure of transatlantic relations and provides a chronology of the Iranian nuclear crisis as well as parties' positions during the crisis. The third Chapter presents the methodology of this study. Here, the chapter explains the use of a coding system of content analysis, Bargaining Process Analysis (BPA), and lists the steps of methodological decisions during the study. Chapter four analyzes the findings of the study on the interaction in the form of dyads. Finally, Chapter five draws conclusions with regard to the findings from the study and provides theoretical, methodological and policy implications.

1. Literature Review

In international relations, every actor, such as a state, an intergovernmental organization or a federation type of suprastate organization, for example the EU has its own interests, and each actor aims to protect its own interests. However, there are times when the interests of different parties may converge, which lead to conflict. When faced with such a conflict situation, different conflict resolution processes can be used. Among these processes, negotiation is a process used by the parties of the conflict in order to find a resolution.

Webster's New Collegiate Dictionary defines negotiation as holding "intercourse with a view to coming to terms; to confer regarding a basis of agreement" (Druckman 1997, 81). Another definition comprehends negotiation as a social interaction where the

allocation of scarce resources is determined by the individuals (Thompson 2001). Iklé (1964, 3-4 as cited in Hopmann and King 1976, 108) defines negotiation as "a process in which explicit proposals are put forward ostensibly for the purpose of reaching agreement on an exchange or on the realization of a common interest where conflicting interests are present." Bercovitch and Jackson (2001, 14) use a broader understanding of international negotiation which can be defined as "a process by which states and other actors in the international arena exchange proposals in an attempt to agree about a point of conflict and manage their future relationship". Rather than taking negotiation as a single process or one discrete activity, this definition takes it as a "continuous set of related activities involving actors, decisions and situations" (Bercovitch and Jackson 2001, 14). According to Lax and Sebenius (1986, 11) negotiation is "a process of potentially opportunistic interaction by which two or more parties, with some apparent conflict, seek to do better through jointly-decided action than they could otherwise." Another definition of negotiation highlight a relationship between a process – consisting of a give and take according to Rubin and Brown's (1975, 2 as cited in Druckman 1997) – and an outcome – including a settlement or an impasse (Druckman 2003). Similar to conflict which might take place in different levels, such as interpersonal, intrastate, interstate, the negotiation also takes place at these different levels.

One term that is related to negotiation is 'bargaining' and is often used interchangeably with 'negotiation' in the negotiation literature. Although, bargaining can also refer to one of the many phases in a process (Druckman 1997, 99), unless stated otherwise, the two terms will also be used interchangeably in this study.

Negotiation can be found in numerous forms which influence the diversity in research on negotiation. These varieties in the forms of negotiation exist in terms of the nature of interaction, ranging from distant to face-to-face communication or the number of parties. Negotiation takes place between two, three or more parties or their representatives in bilateral, trilateral and multilateral forums (Druckman 2003). Negotiations affect parties, organizations, regions or the world. Since negotiation is a complex concept existing in numerous forms, research on negotiation demonstrates some commonalities as well as some differences. While experimental studies explored the general aspects of negotiation, case studies explained many of the context-specific aspects of negotiations (Druckman 2003, 194). This is partly related with the multi-

disciplinary character of the inquiry on negotiation. Moreover, the choice of the methodologies has significant correlation with traditional disciplines that focus on inquiries in negotiation research. As De Dreu and Carnevale (2005) report, laboratory experiments that entail coding of behavior and self-reported data using surveys are especially popular in psychology, organizational behavior and communication sciences. Mathematical modeling, the use of experimental games and the use of archival data are especially popular in economics and political science (De Dreu and Carnevale 2005). Therefore, the complex nature of negotiation and the diversity in the disciplines interested in negotiation allow researchers to study various aspects of negotiation through the use of different research methods.

As a result of the diversity of research on negotiation, the existence of any difference between the nature of negotiation and international negotiation can be debated and two can be distinguished. However, Rubin (2002, 258) does not make an attempt to distinguish the two since the nature of psychological perception focuses on the process at any level of complexity without distinguishing negotiation and international negotiation.

The various forms of negotiation also make negotiation possible to be studied by different approaches and different levels of analysis depending on the discipline that studies negotiation and the research question related to it. Although this variety can be seen as confusing for some, suggested typologies on negotiation ease the understanding of the vast negotiation literature. According to a model suggested by Starkey, Boyer and Wilkenfeld (1999, 1), studies on negotiation fall into one of the four categories: theoretical, applied, collaborative and competitive.

Figure 1.1 Literature on Negotiation

Collaborative

Psychology	Conflict Resolution
Issue-Based Bargaining	Track Two Diplomacy / Mediation

Theoretical ←——————————————→ Applied

Economics	Business
Game Theory	Positional bargaining

Competitive
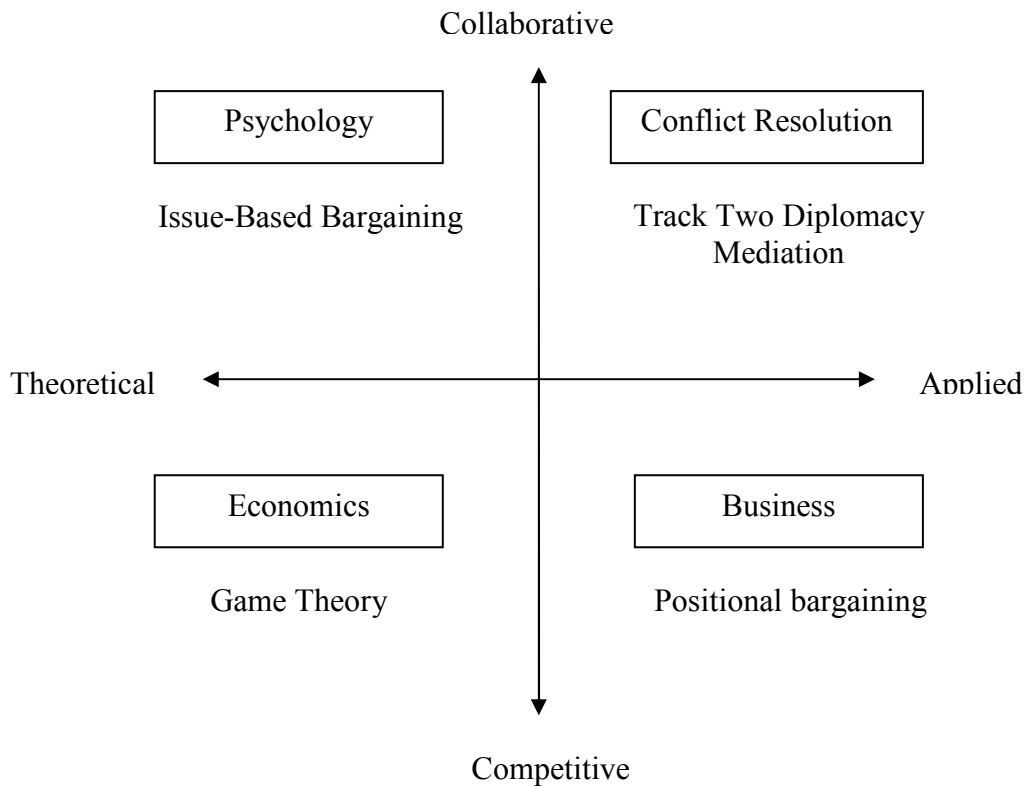
Source: Figure 1.1 Literature on Negotiation, From Starkey, Boyer and Wilkenfeld (1999, 2)

In their figure showing the literature on negotiation (Starkey, Boyer and Wilkenfeld 1999, 2), the horizontal axis depicts the level of abstraction as theoretical materials which analyze the process of negotiation versus the applied materials which provide tips for negotiating successfully, while the vertical axis depicts the value orientation, or approach of the negotiation process ranging from competitive to cooperative in approach.

Other typologies use different categories in order to organize the negotiation literature. For instance, Zartman (2002) reviews negotiation literature by using the categories, such as structure, strategy, procedure, outcome and behavior. A more helpful typology of negotiation literature is suggested by Druckman. According to Druckman (2003), negotiations can be understood at both the micro and macro level of analysis. The micro level of analysis, which includes the formal approaches of game theory and decision theory, as well as the empirical approach of social psychology, is concerned with moves and preferences, in addition to communication processes. Focusing on

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organizations and social, including political and economic systems, the macro level of analysis includes research from organization behavior and international relations (Druckman 2003).

Among the micro level of analysis, the primary focus of game theory is on the parties' preferences related to possible outcomes in a given situation and suggesting solutions accordingly. Thus, game theory asks how parties make optimal choices when these choices are contingent on what other people do. Another question of game theory is interested in learning about the consequences of alternative strategies used by players through the course of repeated games or interactions (Druckman 2003). In this category, Brams's (2003) work tries to synthesize why some negotiations succeed while others fail.

Another formal approach that studies negotiation is decision theory. Decision theory examines people's goal-directed behaviors where a number of possible options exist in a given situation (Hansson 2005, 6). However, decision theory differs from game theory in its study of interaction types. As a result, decision theory is concerned with player's preferences for alternative outcomes under the conditions of certainty, risk and uncertainty. Moreover, by analyzing decisions one negotiator at a time, the stated preferences of each negotiator for the outcomes on several issues are used by decision theory. In order to assist negotiations' decision on where to offer a compromise or concession, and where to remain adamant, this type of analysis has been used during the preparation stage (Druckman 2003).

As the third micro level of analysis, social psychology uses an empirical approach rather than a formal approach used by game theory and decision theory. Social psychology's primary question is how the interactions that define a negotiating process result in outcomes. In order to answer this question, it observes (and codes) the interactions that take place in contrived game-like situations (Druckman 2003). Recognizing the dilemma of competitive or tactical bargaining, where one or all parties lose, social psychology constructed the paradigm of "integrative bargaining" which focuses on the conditions that lead to mutually-beneficial agreements or agreements or absolute gains –where no party loses (Druckman 2003; Walton and McKersie 1965).

Since game-like simulations were able to explore only a few variables at a time, Sawyer and Guetzkow's (1965 cited in Druckman 2003) framework, by aiming to expand the way social-psychological aspects of negotiation were conceived, linked pre-conditions to background factors, conditions, processes and outcomes (Druckman, 2003). This framework was updated by Druckman (1973 as cited in Druckman and Diehl 2006).

Similar frameworks which organize bargaining literature exist in the literature (Iklé 1964; Walton and McKersie 1965; Randolph 1966; Hopmann 1996). Compared to experiments or simulations, these frameworks contain more aspects of complex cases in a systematic manner, which is useful to perform comparative analysis in many cases.

Unlike game theory, decision theory and social psychology, organizational negotiation analyzes negotiations at the macro level. Organizational negotiation is more complex than the negotiations in the game-like situations since the negotiation is treated as a two-level game (Putnam 1988) where an intraparty negotiation process takes place in addition to an interparty negotiation. In this two-level game where two negotiations occur, the negotiator is surrounded by the conflicting expectations of both intra and interparties and faces a dilemma: she finds herself in a struggle between her constituents and the other negotiators for the control over the process and outcomes of the negotiation. This is called "boundary role conflict" (Walton and McKersie 1965). A similar study in this realm is conducted by Clark et al. (2000) where the distributional outcomes of international negotiations are studied by underscoring the need to consider domestic institutional variables.

Likewise organizational negotiation, international relations/diplomatic politics analyze negotiations at the macro level. However, instead of focusing on a particular negotiation process, the approach of negotiation as diplomatic politics focuses on the implications of a variety of negotiations for relations between nations (or organizations). Thus, the negotiation on a specific issue between two countries is evaluated as part of broad diplomatic relations between these countries and negotiation is only one type of interaction among the states (Druckman 2003).

1.1. Process

The negotiation process is the actual interaction between the actors and hence is the core of the negotiation (Faure 2002). The process can also be defined as the 'how' of the negotiation activity between parties (Lewicki 1997, 101). Parties' interaction takes place during this period and as a result, parties can exchange concessions and compensation to each other at this step (Zartman 2002). The offer-counteroffer view of the process is popular in negotiation literature (Habeeb 1988, 27). Iklé defines the negotiation process as "one in which each side offers proposals, makes arguments to support those proposals, and then makes concessions until a compromise agreement is reached" (Habeeb 1988, 27). Rubin and Brown describe the negotiation process as a sequential one which "involves the presentation of demands and proposals by one party, evaluation of these by the other, followed by concessions and counterproposals" (Habeeb 1988, 27). However, definitions other than offer-counteroffer view of process also exist in the literature. An example for this view can be found in Lax and Sebenius (1986, 11) work where bargaining process is composed of two or more parties try to form a joint action where each party would perceive it as the best option among all of the alternatives.

Since the negotiation process is the actual interaction between the actors, it enables observation of the actors' behaviors. Negotiation behavior during the negotiation process has been a significant topic of interest for social psychology. Parties' characteristics and interactions with each other have been studied under negotiation behavior (Zartman 2002). Some of the categories for negotiation behavior include hardliner and softliner (Synder and Deising 1977), warrior and shopkeeper (Nicolson 1960, 24) as well as cooperative and competitive orientations.

The analysis of the negotiation process has been understood differently as a result of the variety in the approaches in negotiation literature. However, all approaches examine the negotiated outcome through process analysis. Parties, issues and positions appear to be the most common elements of the negotiation process. Zartman (2002) classifies the negotiation analysis under structural, strategic, processual and behavioral schools. However, despite this variety in the approaches in negotiation literature, most

of the scholars agree on the existence opposite characteristics of cooperation and competition when the nature of the negotiation process needs to be identified.

1.1.1. Cooperation and Competition

With its mixed-motive character, negotiation includes elements of both cooperation and competition (Druckman 2003a, 179). One dimension of the negotiation literature focuses on the distinction on two opposite bargaining characters regarding the nature of outcomes and processes.

Two bargaining dimensions that are often focused on by scholars are integrative and distributive bargaining. Integrative bargaining is a bargaining method designed to increase joined gains available to all negotiating parties (Walton and McKersie 1965, vii). Distributive bargaining, however, is interested in competitive behaviors, planned to affect the division of limited resources (Walton and McKersie 1965, vii). Although Niemann (2006) suggested a third dimension based on Habermas's concept of "communicative action" as a complementary element for the understanding of the negotiator's rationale for action and the dynamics of international negotiations, this suggestion has not yet taken the attention of scholars who focus primarily on integrative and distributive dimensions of bargaining.

Although the terms "integrative" and "distributive" bargaining are used by numerous scholars (Kersten 2001; Richardson 1996; Sebenius 1984; Walton and McKersie 1965; Young 1989), various concepts are also used in the form of dichotomies by authors to describe similar phenomena of "integrative" and "distributive" bargaining. These dichotomies included "cooperative" versus "competitive" bargaining, "coordinative" versus "competitive" negotiation behavior (Pruitt 1981), "problem solving" versus "bargaining" (Elgström and Jönsson 2000; Hopmann 1995; Murray 1986; Niemann 2006; Scharpf 1985 cited in Da Conceiçao-Heldt 2006), "interest-based" versus "positional" bargaining (Fisher and Ury 1981), "win-win" versus "win-lose" negotiations (Lewicki et al. 1994), "creating" versus "claiming" value (Lax and Sebenius 1986, as cited in Beriker-Atiyas and Demirel-Pegg 2000; Odell 2002; Elms 2006) "arguing" versus "bargaining" (Müller 2004; Kotzian 2007). Among the various forms of dichotomies in these studies, the terms "integrative"

and "distributive" are not only referred to as "situations," but also as the "process" and occasionally as the "outcome" of negotiation (Beriker-Atiyas and Demirel-Pegg 2000).

Since outcome of a negotiation is influenced by the negotiation process, a direct connection between integrative bargaining and integrative outcome, as well as distributive bargaining and distributive outcome, has been made in the literature (Pruitt 1981; Lewicki et al. 1994; Beriker-Atiyas and Demirel-Pegg 2000, 359). The bargaining dimension of the negotiation process affects the negotiation outcome. Thus, regarding the use of integrative or distributive bargaining dimensions, many works in the literature argue that integrative bargaining enables "value creation," "pie expansion," "win-win solutions" and "better compromises" (Fisher and Ury 1981; Lax and Sebenius 1986; Sebenius 1992; Pruitt and Carnevale 1993; Thompson 1998; Lewicki et al. 1999 as cited in Kersten 2001).

While the findings from experimental research feed the studies of integrative negotiation, the role of integrative negotiation in real world diplomatic negotiations has not been a topic of inquiry (Beriker-Atiyas and Demirel-Pegg 2000, 360). This may be related to the realist approach's dominance in the study of international relations. Hopmann (2001 as cited in Beriker forthcoming) and Beriker (forthcoming) point out how senior diplomats are influenced by the realist theory's dominance and therefore treat distributive bargaining as "the only appropriate approach to international negotiations" (Hopmann 2001, 22 as cited in Beriker forthcoming). Another reason for the choice of experimental research in the study of negotiation might be related to limited access to real world diplomatic relations primarily due to national interests and confidentiality.

On the other hand, the concepts of integrative and distributive bargaining were applied to various studies on negotiation at different levels. One example is related with the negotiations within the EU. In her article, Da Conceiçao-Heldt (2006) focuses on how the integrative and distributive bargaining situations differ in the context of EU negotiations. A previous attempt at differentiating these two bargaining modes can be found in Elgström and Jönsson's (2000) study in which patterns of variation of the negotiation process in the EU have been investigated. Another study focuses on the

variations of negotiation tactics, including hard or soft, across countries in intergovernmental negotiations within the EU (Dür and Gonzalez 2007).

In addition to the connection between integrative and distributive bargaining at different levels, one line of research focuses on the role of emotions on the outcome of integrative bargaining. This study of affect in negotiation was originated by Carnevalle and Isen's (1986 as cited in Barry 2008) work. They examined the effects of a negotiator's mood and of visual access between negotiators on the outcome of an integrative bargaining task and found that positive affect expedites cooperative bargaining in otherwise belligerent negotiations.

Likewise the choice of integrative and distributive bargaining, parties' perception and understanding of the interaction influence the negotiation process and the outcome. Therefore, perception and understanding of the issue and the negotiation process play important role for the outcome. Since it provides information and shapes the perception and understanding of the parties, media coverage is a significant factor. Focusing on this significant factor, Gilboa's study (2000) provides a framework on the relationship between the level of media coverage and effective negotiation. Moreover, other information sources is also crucial for the negotiation outcome since understanding how the interaction works also plays a significant role in the choice of cooperative or competitive strategy of each party. With this regard, Donohue (1993) questions the functioning of interaction to influence conflict processes. He questions the behavioral movement from competition to cooperation and the systemic language within the language itself (Donohue 1993).

In addition to parties' perceptions and understanding of the issue and the negotiation process, parties' choice of a cooperative or a competitive strategy before or during the negotiation has an impact on the outcome of a negotiation. While some negotiators use cooperative strategy, others use competitive. However, the consistent use of either a cooperative or competitive strategy may not result in the most effective outcomes. Therefore, Hilty and Carnevale (1992 as cited in Druckman 2003, 202) argue that a strategy that alternates between cooperation and competition has been proven to be more effective than consistent cooperation or competition.

1.1.1.1. Tactics

In order to eliminate any confusion for the reader of this thesis, a distinction between the concepts of strategy and tactic is needed. Odell (2002, 40) defines strategy as "a set of behaviors that are observable at least in principle, and associated with a plan to achieve some objective through bargaining." Since they are connected to the behaviors of the actors, strategies are part of the negotiation process. Tactics are the "particular actions that make up a strategy" (Odell 2002, 40). Put another way, while tactic is "a narrow class of conflict behaviors," strategy is "a broad class of conflict behaviors" (Pruitt and Kim 2004, 298).

A significant amount of work in negotiation literature has focused on the various types of competitive and cooperative communication tactics during interaction (Adler, Graham and Gehrke 1987; Graham, Evenko and Rajan 1992; Graham, Mintu and Rodgers 1994 as cited in Peterson and Lucas 2001). The focus on the type of tactics in negotiation was determined either by the nature of the discipline studying negotiation or its theoretical origin. This difference on the focus of tactics also has reflected in the coding schemes built to measure tactics in negotiations. As Weingart, Olekalns and Smith (2006) underline, while early coding schemes derived from negotiation theory (e.g. Bales 1950; Carnevale, Pruitt and Seilheimer 1981; Pruitt 1981; Pruitt and Lewis 1975 as cited in Weingart, Olekalns and Smith 2006) focused on the substantive aspects of negotiation, including value claiming and value creation, and specific tactics which can be linked to a strategic orientation, either integrative or distributive; the coding schemes derived from communication theory code also for relational tactics, such as showing support for the other party. Communication theory's emphasis on relational tactics is a significant contribution. Relational tactics are important for the parties since as argued by Fisher (Hopmann 1996, 193), international negotiations are not solely about solving specific problems, but also about changing the nature of the relationships in the long-term.

Apart from various types of negotiation tactics, nature of the tactics depend on the strategies and the characteristics of the parties of a negotiation. Durability of agreements are also connected to the strategies used Elms (2006) argues that the most durable agreements in trade negotiations are reached when integrative or value creating

strategies are used and threats are avoided. Although negotiators can combine different tactics throughout the negotiation, combining forceful tactics with problem solving is difficult for many negotiators since these tactics include different mindsets (Mannix and Neale, 1993; Pruitt and Carnevale, 1993 as cited in Giebels, De Dreu and Vliert 2000, 257). A similar notion to mindsets is ethical orientations. A study by Banas and Parks (2002) indicates a relationship between ethical orientation and negotiation strategies. Moreover, better outcomes and a greater percentage of joint outcomes were achieved by individuals who accept questionable tactics less in their negotiations against those accepting such tactics more (Banas and Parks 2002).

1.2. Outcome – Negotiated Outcomes

A strong connection exists between the negotiation process and the outcome. In order to have a better understanding of a negotiation's outcome, many scholars of negotiation study the process in detail to find what kind of impact the process has on the outcome. Many scholars of international relations who focus on power structures and institutions however remain skeptical of studying the negotiation process in detail (Odell 2002, 46).

The focus on negotiation outcome can be classified into two categories. The first category deals with the condition of the parties' interaction, whether the interaction ended in agreement or impasse. Other forms of outcome in this category include mutually break-off negotiations, disagreement or leaving the table (Zartman 1976), total disagreement or complete agreement (Ikle 1964). The second one concentrates on the success of the outcome "by each party and by the group of parties as a whole" (Odell 2002, 46). A number of studies also compare the efficiency, fairness and stability of outcomes (Hopmann 1996, 28). Moreover, "negotiation linkage" examines one negotiation's influence or determining the process on outcome of another negotiation (Crump 2006; Giebels 1999; Pinkley 1995).

The outcome of negotiation has been viewed differently depending on the focus of the study. While significant attention was given to the issue of performance in negotiation literature, an optimal performance where the interests of all parties are maximized is regarded as highly desirable by the authors who have written advices on

how to act for real world negotiators (Harris 1996). According to Thompson (1990), economic and psychological measures are the two types of evaluations of negotiation outcomes. Harris (1996) finds economic measures and socio-psychological measures as the two forms of dependent measures that majority of the research has focused upon. Among these two forms, economic measures focus on the outcomes, and effectiveness of a negotiation is evaluated by a standard of optimal performance (Harris 1996) or by the negotiators' gain from the outcome (Thompson 1990). Unlike economic measures, socio-psychological measures focus both on the negotiation's outcome and process, which leads to the achievement of these outcomes (Harris 1996). However, most of them are also in the form of a set of ratings of the outcome, of one's opponent, and of oneself (Harris 1996). Furthermore, negotiators' perceptions of the negotiation situation, of the other party, of the self and negotiators' behavioral intentions towards their opponent are comprised in social psychological measures (Thompson 1990).

1.3. Crisis negotiations

Although various definitions of the term 'crisis' exist in the literature for different levels of interaction, such as personal, intrastate or interstate levels, no generally accepted meaning of 'crisis' can be found. However, Snyder and Diesing's (1977, 6) definition of "international crisis" can be useful for this study. According to Snyder and Diesing (1997, 6), an international crisis can be defined as a succession of "interactions between the governments of two or more sovereign states in a severe conflict". Although parties of the conflict have the perception of a "dangerously high probability of war", actual war does not occur in this type of interaction which is called international crisis (Synder and Diesing 1997, 6).

A subfield of the negotiation literature, crisis negotiation literature, studied the negotiations during crisis periods. Among the works of crisis negotiation, the analysis of negotiation and bargaining behavior in crisis situations has been primarily studied within the field of political science (Kraus and Wilkenfeld 1993). Moreover, the significance of communication is emphasized in the crisis negotiation literature. Since the increase of misunderstandings between the parties in a conflict during an international crisis period may lead to war and deadly outcomes, effective

communication plays a significant role in crisis negotiations (Starkey, Boyer and Wilkendeld 1999, 114).

The literature of crisis negotiations is significant for this study since the Iranian nuclear issue can be defined as an "international crisis". Likewise many crises situation, the conflict in the Iranian nuclear issue is a dangerously severe conflict. Although a possibility of war among the parties of this conflict exists, no war has taken place yet. Since this study shows characteristics of "international crisis", this study uses the concepts "Iranian nuclear crisis" and "Iranian nuclear issue" interchangeably.

This literature review is relevant to this study because of its claim on the significance of the negotiation process on negotiation outcome. It proposes that the tactics and strategies used during the negotiation process have an impact on the cooperative or competitive nature of the parties' interaction. This cooperative or competitive interaction between the parties during the negotiation process shapes the outcome of the negotiations which might be evaluated in a number of ways. These ways include the existence of an agreement or impasse as an ending condition of parties' interaction; the success of the outcome by each party and/or all parties; efficiency, fairness and stability of outcomes; influence of outcome on the process or outcome of another negotiation; the performance and existence of an optimal outcome where interests of all the parties are maximized. Although there are other factors which might influence the outcome such as parties' characteristics including their culture and power, their internal decision-making or formulating structures, environmental factors such as outside actors, the main focus is given to the negotiation process of the negotiation parties.

The next chapter informs the reader about the general structure of transatlantic relations and presents the chronology as well as the position of the parties in the Iran nuclear crisis.

CHAPTER 2

IRAN NUCLEAR CRISIS

1. Transatlantic Relations

The transatlantic relationship between the United States (US) and Europe has a long and enduring foundation. History shows that transatlantic relations have had important place for both the US and Europe. The relation took a significant curve when the US supported the European integration which started with the Western European countries during the early years of the Cold War (Lipset 1996). The changing nature of the European integration in the early 1990's also reflected on transatlantic relations and its main actors. The US's contact with what was then the European Community was formalized by the November 1990 'transatlantic declaration' which started regular presidential summits between the US and the European Union (EU) with the aim of further transatlantic cooperation (European Commission 2007). In the following years of the early post-Cold War period, Treaty of Maastricht opened a new dimension of political integration for Europe by transforming the European Community into the European Union (EU). This transformation also added a foreign policy dimension and created Common Foreign and Security Policy (CFSP) (EUROPA 2007) for Europe. Thus, the EU started to become a significant actor representing Europe in foreign policy. In addition, as a result of growing number of external challenges for the US and Europe, New Transatlantic Agenda (NTA) at the EU-US summit on 3 December 1995 introduced joint action in four major fields: 1) promotion of peace and stability, democracy and development around the world; 2) responding to global changes; 3)

contributing to expansion of world trade and closer economic relations; and 4) building bridges across the Atlantic (European Commission 2007). Furthermore, during the EU-US summit on 18 May 1998, Transatlantic Economic Partnership (TEP) was created as a new initiative within the NTA framework (European Commission 2007). Recently, during the June 2005 the EU-US economic summit, cooperation on a broad spectrum of areas was covered by the 'EU-US initiative to enhance transatlantic integration' (European Commission 2007). In other words, in addition to bilateral relations between the EU member states and the US, the EU itself created some mechanisms to be the representative of Europe in its foreign policy relations with the US. Therefore, not involving in the conceptual discussion on the meaning of "Europe", this study focuses on transatlantic relationship between the US and Europe as a relationship between the US and the EU.

Despite this long and enduring foundation, transatlantic relationship between the US and the EU is not free of problems. On certain issues in the realms of trade, environment and security, there are difficulties. While the Bananas case, Foreign Sales Corporation and Boeing/Airbus case are among the examples of trade issues (Veric and Ivarsson 2006) the Kyoto Protocol (EurActiv 2007) is an example of environmental issue with difficulty. Among the security issues, the US invasion of Iraq in 2003 paved the way to a negative atmosphere in transatlantic relations. A significant increase in the number of the academic discussions on the unilateral – as opposed to multilateral – character of American foreign policy and its impacts on the transatlantic relations took place by the invasion of Iraq. However, despite the attention it received in academic milieu, invasion of Iraq should not be taken as the sole event for the tension in transatlantic relations. As Lundestad underlines, words such as crisis, clash, divorce, troubled and unhappy have long taken place in the studies of the transatlantic alliance (McCormick 2007).

Current scholarly debate on the nature of transatlantic relations take place both in theoretical level and in empirical level by the use of cased based studies. Yet, the existing literature on transatlantic relations require more empirical studies to verify classification of foreign policy behaviors (cooperative or competitive) and answer in what degree a partnership or a drift exists between the US and the EU. This study

focuses on the nature of interaction between the US and the EU as well as with Iran regarding the Iranian nuclear program.

2. Conflict with Iran: the Iranian nuclear crisis

The current crisis on the Iranian nuclear activities started in December 2002 with the broadcasting of satellite photographs of two hidden nuclear facilities in Iran (BBC News 2003). At the time of writing, no resolution has been found to the crisis. The US, the EU, Iran, China and Russia are the significant actors in this crisis. However, this study focuses on the interaction among three most significant actors (the US, the EU and Iran) of this crisis. In addition, as an independent international organization related to the United Nations (UN) system, International Atomic Energy Agency (IAEA) is a significant information provider for these actors during this crisis. This chapter first introduces a brief chronology of the events in order to have a robust understanding on the Iranian nuclear crisis. Following the brief chronology, all of the three parties' positions on the issue will be presented. A more detailed chronology on the issue can be found in the subsequent section.

2.1. Description of the case: A brief chronology

The US accused Iran of pursuing WMD when the existence of uranium enrichment facility at Natanz and a heavy power plant at Arak is confirmed by the satellite pictures in December 2002 (BBC News 2003; Deutsche Welle 2006). In its response, Iran announced that it would produce its own atomic fuel for future civilian purposes and IAEA inspections began in February 2003 (Security Council Report 2008). Following the IAEA statement on Iran's failure "to report certain nuclear materials and activities", the US statement in June 2003 refused to rule out the "military option" in dealing with Iran (BBC News 2003; BBC News 2008b).

After the level of Iran's enriched uranium was found above the necessary for civilian use by the IAEA's report in August 2003 (Security Council Report 2008), the US supported the EU-3's (Britain, France, and Germany) proposal to Iran for disposal of all its nuclear activities and agreeing for surprise investigations until the end of October (BBC News 2003). The EU-3 started negotiations with Iran in October and

Tehran agreed to sign the Additional Protocol which would allow further cooperation with IAEA and UN inspections (Fox News 2006; Oxford Research Group 2007; Washington Post 2007). In order to warn Iran for her nuclear activities, the EU-3 and the US reached an agreement (in November) on a UN resolution (BBC News 2003). Following this move, Iran signed the Additional Protocol (in December) (Security Council Report 2008).

The US denied a shift in her policy towards Iran and stated (in January 2004) that the US assistance after the earthquake in Iran was not related with the nuclear issue (BBC News 2008b). Nuclear weapons technology was reported (in February) as being sold to Iran by Abdul Qadeer Khan and Iran did not explain her polonium-210 experiments which were reported by IAEA (Fox News 2006; Iran Nuclear Watch 2006). Moreover, despite her agreement to suspend enrichment, Iran one more time, did not suspend her enrichment (Fox News 2006). Iran responded to the UN resolution, which condemned Iran for keeping some of its nuclear activities hidden, by banning inspectors from its site (in March) for a number of weeks (BBC News 2008b). A few months later (in September), the US labeled Iran as a growing danger and called for the UN Security Council to impose sanctions (Fox News 2006). In the same month, Iran announced that her converting raw uranium into gas (Deutsche Welle 2006). In the second month following this announcement, Iran agreed to a European offer to suspend uranium enrichment in exchange for trade concessions (BBC News 2008b). Moreover, in return for a European guaranteeing to cooperate on the nuclear, commercial and political levels, Iran agreed to suspend most of its uranium enrichment at the same month (Oxford Research Group 2007; Security Council Report 2008).

The trade talks between the EU-3 and Iran started (in January 2005) and the EU-3 demanded Iran stop her nuclear program permanently (BBC News 2008b). The following month, Iran announced it would not halt its nuclear program and emphasized that it was for civilian purposes (BBC News 2008b; Oxford Research Group 2007; Washington Post 2007). The US responded by stating that attacking Iran was not on the US agenda "at this point in time" (BBC News 2008b).

A major shift in the US in its policy towards Iran came in March 2005 by its announcement that it would support the EU-3 and propose economic incentives to Iran

to give up her alleged nuclear weapons (BBC News 2008b). This proposal included lifting of a decade-long block of Iran's membership to WTO and objections to Iran obtaining parts for commercial planes (BBC News 2008b). Two months later (in May), the EU warned Iran that any resumption of conversion would end negotiations linked to trade and economic issues (Fox News 2006). Despite these warnings by the EU, Iran rejected the EU proposal for resolving the nuclear crisis (in August) and later declared that it had resumed uranium conversion at Isfahan plant by stressing its civilian purpose (Deutsche Welle 2006, Security Council Report 2008). Thus, the EU broke off negotiations with Iran. The same month, the US announced that using force against Iran was not ruled out (BBC News 2008b). The following month, Iran announced that producing nuclear fuel was Iran's inalienable right (Fox News 2006). In November, with the agreement of the US and Iran, Russia proposed Iran for enriching of uranium in Russia. However, Iran rejected the proposal (Deutsche Welle 2006; Fox News 2006; Security Council Report 2008). Iran refused to continue negotiations with the EU in the following month (Security Council Report 2008). Iran also rejected Russian proposal and later on agreed to consider it (Security Council Report 2008).

Iran began to resume research on nuclear fuel (in January 2006) by removing UN seals at Natanz uranium enrichment plant (Fox News 2006; Washington Post 2007). The EU issues a statement which defined Iran's decision to restart enrichment activity as a clear rejection of the engagement project that took place between the EU and Iran for more than two years (Iran Nuclear Watch 2006). Iran threatened to halt cooperation with IAEA if it was referred to UN Security Council (Deutsche Welle 2006; Washington Post 2007). The US stated the referral to the Security Council as the "logical" next step (Fox News 2006). The following month, Iran threatened to withdraw from nuclear Non-Proliferation Treaty (Security Council Report 2008). The US National Security Strategy of 2006 pointed (in March) that the US might "face no greater challenge from a single country than from Iran" (BBC News 2008b). Iran responded it would stand its right to obtain nuclear technology and threatened the propagandists against her nuclear program (Fox News 2006). The US stated that it favored a diplomatic solution but would use military force to protect Israel (Security Council Report 2008). Iran announced (in April) her successful test firing a high-speed underwater missile capable of destroying warships and submarines (Fox News 2006). On the 11th of this month, Iran announced her achievement of her uranium enrichment

goal for her nuclear program and determination to an industrial scale production development (Fox News 2006; Security Council 2008; Washington Post 2007). Later this month, Iran suggested that it would resume allowing UN inspections if her case is dropped by UN Security Council and passed backed to IAEA (Fox News 2006; Security Council Report 2008). The US interpreted Iran's suggestion as a stalling tactic (Fox News 2006).

A letter written by President of Iran (in May) to the US called a new diplomatic opening between the two countries (Fox News 2006; Washington Post 2007). However, the US dismissed the letter, saying that it failed to resolve the dispute over the Iranian nuclear program (Fox News 2006; Iran Nuclear Watch 2006; Washington Post 2007). Iran responded Western concerns over her nuclear program as "a big lie" (Fox News 2006). Later, Iran did not accept European states' offer that also demanded Iran to stop her nuclear activities (Fox News 2006). A few days later, Iran denied halting her nuclear fuel work in return for a package of the EU incentives (Fox News 2006). At the end of the month, the US offered to join negotiations between the EU and Iran over the Iran's nuclear program on the condition that Iran first suspended all uranium enrichment and reprocessing activities (BBC News 2008b; Iran Nuclear Watch 2006).

A new proposal with new incentives to Iran was made by the US, the EU, China and Russia (in June) (Washington Post 2007). A few days later, a new proposal to Iran by the US and the EU demanded merely suspension of uranium enrichment during the talks (Iran Nuclear Watch 2006). Iran did not accept this offer and made a counteroffer by asking some changes in the incentive package (Fox News 2006). The US, the EU, China and Russia expressed "profound disappointment" (in July) over Iran's refusal to stop her nuclear enrichment program or respond to incentives offered and announced that they would return to UN Security Council (Washington Post 2007). At the end of the month, UN Security Council approved a resolution threatening Iran with economic and diplomatic sanctions unless Iran suspended her enrichment and reprocessing of nuclear fuel by 31 August (Oxford Research Group 2007; Washington Post 2007). Iran's response to a US supported offer by the EU in the following month stated that although it was prepared to talk about suspension, it would not accept this as a precondition (Fox News 2006; Oxford Research Group 2007). The US found this respond falling short of conditions set by the Security Council (Fox News 2006). A few

days later, Iran opened a heavy-water plant, insisting that its nuclear ambitions would not be slowed (Iran Nuclear Watch 2006, Washington Post 2007). At the end of August, Iran refused to comply on halting uranium enrichment (Washington Post 2007).

The US signaled in the following month that a temporary suspension of Iran's nuclear program might be sufficient for the first direct negotiations between the US and Iran in more than a quarter century (Iran Nuclear Watch 2006; Washington Post 2007). The following day, Iran responded that it was willing to negotiate only if UN sanctions proceedings end (Washington Post 2007). Later, the US and five other countries backed off on demands for UN sanctions and set up a new deadline for Iran's suspension of nuclear activities (Washington Post 2007). Iran repeated the peaceful purpose of her program (Washington Post 2007). The EU expressed support for gradual sanction (in October) towards Iran's nuclear program because of its continuation to her enrichment related activities (Iran Nuclear Watch 2006). Later at that month, Iran expanded its activities by starting a second cascade of centrifuges to enrich uranium (Iran Nuclear Watch 2006). UN Security Council voted unanimously (in December) to restrict Iran's trade in sensitive nuclear materials and to freeze assets of 22 Iranian officials and institutions. Iran responded the sanctions by stating that it would continue its enrichment activities (Oxford Research Group 2007; Washington Post 2007).

The following month, the EU announced a decision to ban trade with Iran in all goods listed on the Nuclear Supplier Group and Missile Technology Control Regime (Security Council Report 2008). The EU decided (in February) to impose limited sanctions over Iran recommended by the UN Security Council (Washington Post 2007). Next month, new arms and financial sanctions against Iran were approved by the UN Security Council (Oxford Research Group 2007; Washington Post 2007). This was responded by Iran's announcement in April that it was capable of enriching uranium "on an industrial scale" and began enriching with 3,000 centrifuges in addition to repeating peaceful purposes of her nuclear program (Oxford Research Group 2007; Washington Post 2007). Iran restated in the following month that suspension of uranium enrichment was non-negotiable (Security Council Report 2008). Later that month, the IAEA's report emphasized Iran's disobedience to UN's demands for suspension (Washington Post 2007). At the end of the month, Iran suggested better cooperation with IAEA (Security Council Report 2007).

Iran announced (in September) that by having 3,000 centrifuges, it reached a key target in her nuclear program (BBC News 2008b). Later, Iran repeated the peaceful character of her nuclear activities (BBC News 2008b). Later at that month, Iran also announced that it considered the dispute over her nuclear program as closed (Security Council Report 2008). The following month, the US advanced her sanctions against Iran because of Iran's pursuing nuclear activities and supporting terrorism (BBC News 2008b). Later that month, the meeting between the EU and Iran in Rome could not result in any progress on enrichment issue and Iran stated that it would not retreat "one iota" from her nuclear program (Security Council Report 2008). The IAEA report in November said that despite Iran's provision of her past activities, the knowledge on her current activities was limited (BBC News 2008). While the US promised for more UN sanctions on Iran, Iran asked for an apology from the US and her allies for their treatment of Iran (BBC News 2008b). Later that month, the talks between the EU and Iran were commented as "disappointing" by the EU and "positive" by Iran (Oxford Research Group 2007; Security Council Report 2008).

The following month, a new US Intelligence Estimate indicated that Iran had halted its nuclear program in 2003 (Security Council Report 2008). Iran described this report's conclusion as victory and suggested dialogue with the US. However, the US stated that Iran might have started its nuclear program (BBC News 2008b). As a result, Iran accused the US by spying on its nuclear activities (BBC News 2008b). The US replied Iran by stating that there was no need for enrichment since Russia started delivery of fuel. Moreover, the EU renewed its support for additional the UN sanctions (Security Council Report 2008).

In a statement in January 2008, Iran announced the possibility of restoring relations with the US in the future (BBC News 2008b). However, the US responded this statement by describing Iran as "the world's leading state sponsor of terrorism" and asked friends for immediate confrontation with Iran (BBC News 2008b). The following month Iran reported that it had activated a new rocket from its new space center and the US commented this event as a strengthening case for a third resolution on sanctions (Security Council Report 2008). By sending a letter to the United Nations Secretary-General (in May), Iran announced its willingness to negotiate including a package of

proposals on long term cooperation and suggested the establishment of "enrichment and nuclear fuel production consortium in different parts of the world including Iran" (Security Council Report 2008). Later that month, IAEA report pointed out that Iran continued to its rejection to suspend its nuclear program (Security Council Report 2008).

2.2. Positions of the parties

Officially, Iran claims that it does not possess a nuclear weapons program and its nuclear program is for civilian purposes. As Hassan Rowhani, the secretary of Iran's Supreme National Security Council, stated, neither nuclear weapons nor other weapons of mass destruction (WMD) are important for Iran's 'defence doctrine' (Bowen and Kidd 2004, 258). Instead, Iran's nuclear program aims to meet future energy demands by generating electricity through its nuclear stations rather than solely relying on country's fossil fuel reserves (Bowen and Kidd 2004, 258). Thus far, Iran repeated its official position which states that its nuclear program is for civilian purposes.

Despite Iran's official position, the US and the EU have some concerns regarding Iran's nuclear weapons ambitions. Since the mid-1980s, the West suspects Iran for pursuing nuclear weapons, especially because of Tehran's nuclear power plans which makes little economic sense given the country's fossil fuel reserves (Bowen and Kidd 2004, 263). More recently, these concerns take place due to Iran's concealment of nuclear activities from the IAEA (Bowen and Kidd 2004, 259-61). When the satellite pictures showed the existence of uranium enrichment facility at Natanz and a heavy water plant at Arak in December 2002, the US accused Tehran of being in pursuit of WMD (Oxford Research Group 2007). The US accusations continued during the other events taking place in the following period. The various IAEA reports and resolutions regarding the Iranian nuclear power also included a certain level of dissatisfaction from Iran's actions including not meeting Non-Proliferation Treaty (NPT) (June 2003), secretly enriching uranium and producing plutonium (November 2003), keeping some of its nuclear activities secret (March 2004), not suspending its uranium enrichment program (September 2004), restarting uranium conversion (August 2005), not complying to nuclear NPT (September 2005), continuing and expanding its uranium enrichment in defiance of UN Security Council demands (February 2007), beginning to

make nuclear fuel in its underground uranium enrichment plant (April 2007), supplying little data on its current nuclear activities despite its supplying of transparent data on its past activities (November 2007) (BBC News 2008). These actions of Iran increase the suspicion on the sincerity of Iran's official position of not possessing a nuclear weapons program.

The US and the EU have converging interests in the Iranian nuclear issue. First, both the US and the EU want to prevent Iran from acquiring nuclear weapons (Bowen and Kidd 2004). An Iran with nuclear weapons would be a threat for American and European interests in the region since it might pursue an aggressive foreign policy by trusting its nuclear weapons' deterrence towards the US and the EU. In addition to a more deterrent Iran, if Iran built nuclear weapons, the other countries in the region might also follow the Iranian example by thinking that the world could permit them to have nuclear weapons as well (Gordon 2007). In such a scenario, the already unstable nonproliferation regime would also be undermined (Gordon 2007). Second, an agreement exists between both the US and the EU on the need for a concerted and unified international effort to address the Iranian challenge (Bowen and Kidd 2004, 267).

Despite these converging interests, a disagreement seems to exist between the US and the EU on the necessity of military force remaining "on the table" and the allowance –if any- for the kind of Iranian domestic capacity for producing fuel for nuclear energy production (Martin 2007, 67). Although the US wants to keep the military option on the table, the EU does not favor the use of military force towards Iran. In addition, contrary to the US, numerous EU countries have considerable economic relations with Iran. This economic aspect increases the interdependency between the US and Iran and complicates the relations with Iran in the nuclear issue. Related to the long lasting US sanctions on Iran, economic relations between the US and Iran have not been at a significant level before the nuclear issue became salient. Therefore, other disagreements between the US and the EU would not be surprising when the major difference on economic relations with Iran is considered. However, because of the significance of converging interests between the US and the EU in the Iranian nuclear issue, both the US and the EU choose to have a degree of cooperation while dealing with Iran.

Next chapter introduces the methodology of this study, answers technical questions on the use of the chosen methodology and lists the steps followed during this study.

CHAPTER 3

METHODOLOGY

As stated earlier, this study examines the nature of interaction among the US, the EU and Iran regarding the Iranian nuclear crisis by using negotiation literature. For this purpose, the study first explores the policy interactions in transatlantic relations between the US and the EU on the Iranian nuclear crisis. The second part analyzes the negotiation process on the same issue between the EU and Iran. Third part of the research concentrates on the nature of the US – Iran interactions. In order to explore the nature of each interaction, the study calculates and compares the level of disagreement and competitiveness of the interactions.

This chapter presents the research methodology used in this study, the technical questions that are needed to be answered with this methodology and the steps followed during methodological decisions.

1. Content Analysis

A form of latent content analysis (which focuses on the meaning of the statements) was used in this study. In Holsti's words, content analysis is "any technique for making inferences by systematically and objectively identifying specified characteristics of messages" (Harris 1996). In this technique, inferences are derived from the communication of interacting parties (Harris 1996). The content of

communication across various settings can be analyzed by the content analysis since it can be applied to various written or oral communications (Druckman 2005, 257). Questions of "what was said, who said it, and to whom it was said" describe the interaction in the analyses (Druckman 2005, 258).

In the systematic study of international negotiation, content analysis has played an important role and numerous coding systems have been developed for bargaining interactions (Druckman and Hopmann 2002). A detailed analysis on the evolution of bargaining categories can be found in Druckman and Hopmann's (2002) chapter on content analysis and a comprehensive review of the content analysis systems can be found in an article by Harris (1996).

Three technical questions are required to be answered in content analysis: "(1) How is the research problem defined in terms of categories? (2) What unit of content is to be classified? (3) What system of enumeration will be used?" (Holsti 1968 as cited in Beriker 1993)

1.1. Coding categories:

1.1.1. General categorization

Implementation of content analysis takes place by the use of a coding scheme which is designed and guided by the primary research questions (Harris 1996). In this study, basic coding categories are provided by the Bargaining Process Analysis (BPA) of Walcott and Hopmann (1978 as cited in Harris 1996). Its frequency of use in various studies and theoretical heritage (Druckman and Hopmann 2002) affected this selection. BPA has been cited for meeting the standards of validity, reliability and theoretical relevance (Harris 1996). Moreover, BPA is easy to use and can be applicable to a wide array of theoretical questions (Harris 1996). Furthermore, a comparison of results across studies and developing cumulative findings become possible by the application of standard categories (Beriker 1993).

The choice of coding category was decided carefully in this study. Although a revised version of BPA was developed under the name of Negotiation Process Analysis

(NPA) which expanded the number of categories from thirteen to twenty three by including problem-solving behaviors (Hopmann 2002), this study preferred to apply BPA instead of NPA due to a number of reasons: First, no conclusion may be drawn about validity or reliability of NPA since it has not been tested with either simulated or actual negotiations (Hopmann 2002). Second, since this study treats the public statements that appear on the news as the moves in the international negotiations, problem solving behaviors are unlikely to appear on the available data due to the nature of the resources.

1.1.2. Bargaining process analysis (BPA)

BPA is "a system for coding many relevant aspects of the bargaining process in a situation where relatively unrestricted verbal communication is possible" (Hopmann 1974, 321). BPA is a modification which is drawn from two major sources: The strategic variables are borrowed from the conceptual schemes of Schelling (1960 as cited in Hopmann 1974). Schelling (1960 as cited in Harris 1996) defines the strategic behavior as the more "rational, conscious, artful kind of behavior". The contextual variables which include all other variables that are not included as bargaining variables are derived from Bales's (1950 as cited in Hopmann 1974) categorization. Thirteen categories within five classes of BPA are: substantive behavior (initiation, accommodation, retraction), strategic behavior (commitment, threat, promise), task behavior (agreement, disagreement, question, answer), affective behavior (positive affect, negative affect), and procedural behavior (subject change) (Hopmann 1974). Hopmann's (1974) operational definition of each category and class is as followed:

A. Substantive Behavior: Behaviors directly associated with the subject matter of the negotiations.

1. Initiations: Actor advances a substantially new proposal or states own substantive position for the first time.

2. Accommodations: Actor concedes a point to another, retracts a proposal in the face of resistance, or expresses a willingness to negotiate or compromise own stated position.

3. Retractions: Actor retracts a previously made initiation or accommodation or modifies a previously stated position so as to make the position clearly less agreeable to another.

B. Strategic Behavior: Behavior designed to affect the behavior of other actors in the negotiations, but not implying a substantive change of position on the part of the initiator.

1. Commitments: Actor takes a position or reiterates it with a clear statement that it will not change under any circumstances and/or declares own position nonnegotiable.

2. Threats: Actor offers or predicts negative consequences (sanctions or withholding of a potential reward) if another does not behave in the stated manner.

3. Promises: Actor offers or predicts positive consequences (reward or withdrawal of sanction) if another behaves in a stated manner.

C. Task Behavior: Behavior primarily designed to promote businesslike discussion and clarification of issues.

1. Agreements: Actor accepts another's proposal, accepts a retraction or accommodation, or expresses substantive agreement with another's position.

2. Disagreements: Actor rejects another's proposal, refuses a concession or retraction, or disputes a substantive (including factual) issue.

3. Questions: Actor requests information, inquires as to another's position, reaction, or intention, or requests clarification or justification of a position.

4. Answers: Actor supplies information, reiterates a previously stated position, or clarifies or justifies a position.

D. Affective Behavior: Behavior in which actors express their feelings or emotions toward one another or toward a situation.

1. Positive Affect: Actor jokes or otherwise attempts to relieve tension, attempts to create feelings of solidarity in the group, or expresses approval or satisfaction.

2. Negative Affect: Actor becomes irritable or otherwise shows tension, criticizes another in general terms, or expresses disapproval or dissatisfaction with group performance or with the situation.

E. Procedural Behavior: Behavior designed to move the discussion along, but which does not fit into any of the above categories.

1. Subject Change: Actor attempts to divert discussion from one substantive topic to another.

BPA was subsequently used by Hopmann and King (1976 as cited in Harris 1996), Druckman and Harris (1990 as cited in Harris 1996), Hopmann and Walcott (1976 as cited in Harris 1996), Parrott, Greene and Parker (1992 as cited in Harris 1996), Putnam and Jones (1982 as cited in Harris 1996). A very simple two-behavior system, identifying hard-line bargaining (e.g., commitments, threats and accommodations) and soft-line bargaining (e.g., accommodations, promises, praise), was utilized as the categories of interest (Harris 1996).

1.2. Recording Units

In order to meet the requirements of the research problem, a decision on the selection of the recording units is necessary in content analysis. The size of the units to be analyzed is indicated by the recording units (Beriker 1993). These units can be a character, a single word or symbol, a grammatical unit, a sentence, a paragraph or a theme.

In this study, the public statements made by the official representatives of the US, the EU and Iran regarding the Iran nuclear issue are considered as recorded units. Each statement varies from a sentence to a number of paragraphs and is coded in a list that includes the interaction between the dyads in the form of identification of the speaker, statement, date of the appearance of the statement and the appropriate category.

In order to calculate the inter-coder reliability, two different coders conducted content analysis on the randomly selected lists of interaction between the dyads. A training session for the coders was provided where the instructions including the rationale of coding definitions of categories and how to make coding were presented. The results for the inter-coder reliabilities are as followed: Percentage agreement between the main coder (Coder A) and Coder B was 0,931. Between the main coder (Coder A) and Coder C, the percentage agreement was 0,896.

1.3. System of enumeration

The third technical decision is on the aggregation and quantification of the coded events. In order to measure the level of cooperation (soft behavior) and competition (hard behavior) in the interaction among the parties, two indices, "competitive index" and "disagreement index" are formed. Similar indices were formed by Hopmann (1974, 321 as cited in Beriker 1993) and Druckman, Broome and Korper (1988 as cited in Beriker 1993).

2. Steps followed during Methodological decisions

A number of methodological decisions had been made throughout this study. Some of these decisions were made in order to clarify the meaning of the concepts in this study. By the concept 'transatlantic relations', the foreign policy relations between the US and the EU are implied. Countries including Canada or Turkey, which are members of North Atlantic Treaty Organization (NATO) but are not the EU members, and neither NATO nor non-EU members of Atlantic (Africa, Central and South America) are considered as the actors of transatlantic relations in this study. In other words, the concept of 'transatlantic relations' is used alternative to the US-EU relations. While the interactions with Iran are considered, there are times where both the US and the EU are treated as allies and are called as 'the West'. In this study, 'the West' is used where both the US and the EU have the same positions. Despite the fact that no agreement exists on the definition and meaning of 'Europe' in the vast literature (whether it includes Russia, Turkey or some other countries), what is meant by 'Europe' is in fact the 'European Union (EU)' in this study. In other words, Europe and the EU are used interchangeably during the study.

Numerous decisions –other than the ones related with the conceptual meaning – were also made. Among these decisions, one of them was concerned with taking the EU as a unitary actor like the US or Iran. Although taking the EU itself rather than individual European states as one of the actors in the study can be criticized by some as the EU not being a unitary power or not having a single voice in the area of foreign affairs, this study treats the EU as the most significant representative of European states, especially in transatlantic relations.

In terms of the collection of required data, news that appeared on the media in the period of February 2002 and October 2007 were used as the primary source of this research. The online media resources include the primarily BBC News and National Public Radio. Supplementary resources include Washington Post, International Herald Tribune, Financial Times, The Guardian, and Radikal. These resources were chosen because of their reputation, availability of their archives on the internet, careful coverage of the news on the Iranian nuclear issue and their reporting language as English (except a supplementary source Radikal which is in Turkish).

Collecting the data from the aforementioned sources, statements made by official representatives or institutions of the US, the EU and Iran are considered as each party's official statements and therefore treated as a separate move in negotiation dance.

These official representatives include the heads of states and governments (presidents, prime ministers, chancellors, etc), representatives (secretaries, ministers, vice-presidents, deputy-secretaries, under-secretaries, spokespersons, chief negotiators, ambassadors, etc.) of governmental institutions (e.g. foreign ministry, secretary of state, etc.). Although not an official at the time of his statement, Peter D. Feave's statement on 26 October 2007 is also considered as a US statement since his statement was almost immediately after he left a staff position on the National Security Council.

In order to reduce any ambiguity on the legitimate representation of the EU by numerous actors under the EU, a decision was also taken in this regard. Thus, the EU representatives include the European Commission and its members, the EU External Relations Commissioner, Secretary-General of the Council of the EU and the EU High Representative for the CFSP, the EU leaders at the EU Summit, the EU-3 (France, Germany, UK), Director in the Council of the EU, and the EU members which hold rotating presidency at the time of the statement. The individual statements made by the EU member states which do not hold the rotating presidency are not considered as the official EU statements. In addition to this category, 'EU + member states' category was formed to see whether a difference exists on the nature of policy statements between the EU and its member states. Thus, they are grouped in 'EU+member states' rather than solely as 'EU' in the coding sheets. The EU member states' divergence from EU's

standing and the role of the EU member states (when they do not hold EU presidency) during the interaction with the other parties (namely the US and Iran) is aimed to be analyzed with this grouping.

Once the statements were classified in a chronological order and no ambiguity regarding the actors and their representation is ensured, each statement was placed in as a move in bilateral interaction under – at least – one of the seven groups and seven data sets showing the interaction between the dyads were formed. In order to focus on transatlantic interactions and impact of the EU member states on the interaction, two dyads were formed. First dyad showed the interaction between the EU and the US (EU X US), and the second dyad showed the interaction between the EU with single member states and the US [(EU + member states) X US]. Two dyads were formed to observe the interaction between the EU and Iran, and member states' impact on the EU – Iran interactions. Thus, third dyad showed the interaction between the EU and Iran (EU X Iran) and the fourth dyad represented the interaction between the EU with single member states and Iran [(EU + member states) X Iran]. In order to focus on the US-Iran interaction, fifth dyad which showed the interaction between the US and Iran (US X Iran) was formed. With the aim of focusing on transatlantic alliance's interaction with Iran and the EU member states' impact on this interaction by forming sixth dyad which showed the interaction between the US-EU alliance and Iran [(US + EU) X Iran] and seventh dyad which reflected the interaction between the US-EU with single member states alliance and Iran [(US + EU + member states) X Iran]. The eighth dyad was formed in order to understand the interaction between the member states and Iran (members X Iran) without the having any EU statements.

After the formation of eight data sets consisting of the interaction between dyads, content analysis method is applied to each of the dyads. In order to code the collected statements, bargaining process analysis (BPA) is used for the coding categories of Hopmann (1974). These coding categories include 1) Initiations; 2) Accommodations; 3) Retractions; 4) Commitments; 5) Threats; 6) Promises; 7) Agreements; 8) Disagreements; 9) Questions; 10) Answers; 11) Positive Affect; 12) Negative Affect; 13) Subject Change. In addition, for the texts that cannot be classified in any of these

thirteen categories, one more category is added to the coding sheet as; 14) Other[1]. (Please see Appendix for the coding sheets).

Following the completion of coding the interaction of six dyads by using the categories in BPA, six coding sheets were constituted. On the column of the coding sheet, '1' refers to the first party (or the group of party, coalition) and '2' refers to the second party (or the group of party, coalition). Being the first or the second party is decided according to appearance of the name in the title showing the interaction of that specific coding sheet. For instance, if the coding sheet is named as the 'EU – Iran interactions', then the EU is considered as the first party ('1' on the column of the coding sheet) and Iran is considered as the second party ('2' on the column of the coding sheet). During the coding of the coding sheets, an 'X' is placed for a statement that suits the proper coding category in the coding sheet. When a party's statement includes more than one category in the coding sheet, then more than one 'X' are placed in the coding sheet.

Upon the completion of coding process, a number of indices were used in calculating the interactions of the dyads. These indices were previously used in an earlier study by Beriker (1993). Among the statements which were coded in terms of whether a party agrees or disagrees with his or her opponent, a disagreement index was formed. Disagreement index consisted of the ratio of disagrees to all statements coded as either agree or disagree.

Disagreement = Disagreement statements / Disagreement statements + Agreement statements

In order to measure the level of competitiveness, competitiveness index was used. Each statement made by parties' representatives was coded in one of several BPA categories reflecting "hard" (commitments, threats) or "soft" (accommodations, promises) rhetoric. Here, hard statements showed competitive behavior and soft statement showed cooperative behavior. The proportion of competitive (hard)

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[1] Please see Appendix for the coding sheets.

statements relatively all statements made in the competitive (hard) and cooperative (soft) categories is regarded as competitive index.

Competitiveness = Competitive / (Competitive + Cooperative)

By providing the above formulations, although this study brings a new dimension to analyze the Iran nuclear issue, as in every study, this study has its limitations. First, by treating each interaction in dyads, this study might miss some of the interactions in a more complicated system where the US, the EU, the member states and Iran interact all together. Undoubtedly, treating the interaction in the form of dyads lessens the complication of the interactions. However, the real world interactions do not take place in the form of dyads. While the EU sends a message to Iran in a statement, often it also sends message to the US on the same issue. The inclusion of other statements to other actors may make a difference in the interaction among these parties. Therefore, treating the interactions in the form of dyads limits the general interaction among all of the parties in this study.

Second, by focusing on only the US, the EU, the member states and Iran, this study misses the involvement of other states in this issue. For instance, although Russia and China are among the other significant actors that are interested in this issue, this study does not focus on the impact of their involvement in this issue. Moreover, the number of parties in the international system is significantly high which complicates observing and understanding the interactions in the international system.

Despite these two aspects of this study, all social interactions are more complicated than the presented formulations. Moreover, analyzing these kinds of social interactions require a certain degree of simplification. Therefore, the two simplifications of this study do not undervalue the findings of this study. On the contrary, these simplifications contribute to current knowledge by collecting data in a systematic way.

This chapter presented the methodology of this study. Next chapter displays the findings of this study by using disagreement and competitiveness indexes.

CHAPTER 4

FINDINGS

This chapter reports and analyzes the findings of this research. The number of moves in each dyad as well as the categories of the statements in each interaction is as the following: The EU-US interactions consists of 22 moves including 1 accommodation, 3 commitment, 4 agreement, 5 disagreement, 9 positive affect and 1 other categories. The interaction between the EU with the member states and US is composed of 27 moves including 1 accommodation, 3 commitments, 6 agreements, 11 disagreements, 9 positive affect and 1 other categories. The EU-Iran interaction consists of 20 moves including 1 accommodation, 1 retraction, 5 commitment, 5 threat, 2 promise, 1 agreement, 3 disagreement, 4 positive affect and 1 negative affect categories. The EU member states and Iran interaction consists of 26 moves including 2 accommodation, 1 retraction, 8 commitment, 8 threat, 2 promise, 1 agreement, 3 disagreement, 4 positive affect and 1 negative affect categories. The US-Iran interactions is composed of 36 moves including 4 initiation, 8 commitments, 16 threat, 1 promise, 6 disagreement, 2 question, 1 positive affect, 5 negative affect and 1 subject change categories. The interaction between the EU and US alliance towards Iran is composed of 73 moves including 6 initiation, 1 retraction, 19 commitment, 26 threat, 3 promise, 1 agreement, 12 disagreement, 2 question, 5 positive affect, 9 negative affect, 1 subject change and 1 other categories. The interaction between the US, the EU and the members alliance and Iran is composed of 76 moves including 7 initiation, 1 retraction, 20 commitment, 27 threat, 4 promise, 1 agree, 12 disagree, 2 question, 5 positive affect, 9 negative affect, 1 subject change and 1 other categories. The interaction between the

member states and Iran consists of 6 moves including 1 accommodation, 3 commitment and 3 threat categories.

Table 4.1 displays the disagreement and competitiveness of the interaction for all the six dyads.

Table 4.1: Disagreement and competitiveness in dyads

	EU x US	(EU+members) x US	EU x Iran	(EU+members) x Iran	US x Iran	(US+EU) x Iran	(US+EU+members) x Iran
Disagreement (%)	55	65	75	75	100	92	92
Competitiveness (%)	75	75	83	89	96	91	92

The disagreement level presented in the above table is calculated by the below steps:

The sum of disagreement statements by both party of the dyad in the coding sheet which was coded according to BPA is divided by the sum of both party's disagreement statements and agreement statements which were coded through BPA.

Disagreement = Disagreement statements / (Disagreement statements + Agreement statements)

The competitive (hard) behaviors are calculated as the sum of the commitments and threats that take place in the coding sheet which were coded according to BPA. In addition, cooperative (soft) behaviors are calculated as the sum of the accommodations and promises in the coding sheet which were coded according to BPA.

The competitiveness in the above table was calculated by the following:

Competitiveness = Competitive / (Competitive + Cooperative)

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Here, in order to calculate the competitiveness of each dyad, the sum of competitive moves by both parties of the dyad is divided by the sum of competitive and the sum of cooperative moves by both parties of the dyad.

Regarding the interaction within the dyads, the level of disagreement is the lowest (55 %) in the EU-US interaction. The disagreement level between the EU and the US increases to 65 % when the statements of member states are added to the interaction (the EU and members against the US). Disagreement in the EU – Iran interaction is 75 %. This level of disagreement remains the same (75 %) when the EU members' statements are also included. The disagreement level is the highest (100 %) in the US – Iran interaction. When the EU and the US are in coalition and taken as a party (EU+US) in the dyad against Iran, the disagreement is 92 %. When the members are also included in the coalition (US+EU+members) against Iran, the disagreement remains the same (92 %).

Regarding the interaction of competitiveness within the dyads, interaction between the EU and the US has the lowest competitiveness level (75 %). Adding the EU member states' statements to this dyad (and making a dyad of the EU and member states against the US) does not change this competitiveness level (75 %). The competitiveness of the EU – Iran interaction is 83 % and this level increases (to 89 %) when member states are included (the EU and member states against Iran). Interaction between the US and Iran has the highest competitiveness (96 %). The competitiveness of the US and the EU alliance against Iran is 91%. The competitiveness of this alliance remains almost the same (92 %) when member states are added to the alliance against Iran (the US, the EU and member states against Iran).

Considering the nature of the relationships, these findings should not be surprising. The relationship between the US and Iran is a tense one. Moreover, the relationship between the EU and the US is a more cooperative one comparing to the relationship between the US and Iran. Furthermore, the level of competitiveness between EU and Iran is higher than the EU-US interaction but lower than the US-Iran interaction.

Different percentages for disagreement and competitiveness depend on the different character of the interaction between the parties. The disagreement rate shows the ratio of an actor's rejection and acceptance of another's proposal. In this sense, disagreement rate is about task behavior and has procedural character. Unlike disagreement rate, competitiveness rate shows the level of competitiveness based on strategic (commitment, threat, promise) and substantive (accommodation, initiation) behaviors and does not have a procedural character. Therefore, we can expect relatively more powerful party to be more competitive in its interaction with relatively less powerful parties. Furthermore, we can also expect to see higher disagreement rates in situations where a relatively weak party is faced with proposals from a weak party since the weak party does not have the capacity or credibility to be more competitive against the strong party.

It is observed that relative to the EU, 'EU member states' have an increasing impact on either competitiveness or disagreement. For instance, adding member states to the EU-US interaction does not change the competitiveness (75 %) but increases the disagreement (from 55 % to 65 %). Adding member states to the US-EU alliance against Iran (the US, the EU and members against Iran) also does not change the competitiveness (92 %) but increases the disagreement level (from 90 % to 92 %). Such an increasing impact on competitiveness also takes place when the EU member states are added to the EU-Iran interaction (from 83 % to 89 %) but does not change the level of disagreement (75 %). This impact of the EU member states can be explained by the difference in the nature of the EU and its member states. Once a member state is on its own rather than being an EU representative, it generally does not reflect the compromising character of the EU. In other words, a member state on its own may choose to use a rhetoric associated with hard power rather than the EU's focus on soft power. However, having an even more complex negotiation structure among its member states in its decision mechanism, using hard power centered rhetoric is not that easy for the EU.

Adding the EU and member states to the US-Iran interaction decreases both the competitiveness (from 96 % to 92 %) and disagreement (from 100% to 92 %). This suggests that when the West's (the US, the EU and its member states) interaction with

Iran is considered, the EU has a role in decreasing the level of competitiveness and disagreement.

The following tables in this chapter (from Table 4.2 to Table 4.8) present the disagreement and competitiveness levels of each party in its interaction with the other party of the dyad and the calculation used in the following tables is different than Table 4.1. Thus, in order to calculate the disagreement of each party for the mentioned interaction, sum of a party's disagreement statements is divided by the sum of disagreement as well as the sum of agreement statements by both parties in a certain interaction. For instance, if the EU's disagreement against the US in the EU – US interaction is measured, the sum of disagreement statements by the EU is divided by the sum of disagreement and the sum of agreement statements by both the EU and the US. On the other hand, when the US's disagreement against the EU in the EU – US interaction is measured, the sum of disagreement statements by the US is divided by the sum of disagreement and the sum of agreement statements by both the EU and the US.

The competitiveness of each party towards the other party in a specific dyad is calculated in a similar manner. If a party's competitiveness level towards the other party in the mentioned interaction is aimed to be calculated, the sum of competitive moves by a party is divided by the sum of the competitive and the sum of the cooperative moves by both parties of the dyad. For instance, if the EU's competitiveness against the US is measured in the EU – US interaction, the sum of competitive moves by the EU is divided by the sum of competitive and sum of cooperative moves by both the EU and the US. On the other hand, when the US's competitiveness against the EU is measured; the sum of competitive moves by the EU is divided by the sum of competitive and the sum of cooperative moves by both the EU and the US.

Table 4.2: Disagreement and Competitiveness of the EU-US interaction

	EU	US
Disagreement (%)	44	11
Competitiveness (%)	50	25

As can be seen from Table 4.2 which presents the EU-US interaction, the EU has also a higher disagreement rate towards the US's behaviors or statements. While the EU

has a 44 % disagreement rate towards the US, the US has only 11 % disagreement rate towards the EU. Moreover, the EU's competitiveness towards the US is 50 %, the competitiveness of the US against the EU is only 25 %. In other words, the EU is twice as competitive as the US in this interaction. In this interaction, the EU appears to be not only the more competitive party, but also the more disagreeing one.

Table 4.3: Disagreement and Competitiveness of the (EU+members)-US interaction

	EU+members	US
Disagreement (%)	53	12
Competitiveness (%)	50	25

Table 4.3 presents the interaction between the EU and members against the US. Here, the EU and members have a 53 % disagreement rate towards the US, the US has only 12 % disagreement rate towards the EU and members. Moreover, although the EU and members have 50 % competitiveness towards the US, the US has 25 % competitiveness towards the EU and members. In addition, by adding the member states to the interaction between the EU and the US, the competitiveness remained the same but the disagreement rates of both the EU (from 44 % to 53 %) and the US (from 11 to 12 %) increased. This finding suggests that in their interaction with the US, the EU member states are more competitive than the EU. However, despite this significant change in the EU's competitiveness, the change in the US's competitiveness is only a slight increase (one per cent).

Table4.4: Disagreement and Competitiveness of the EU-Iran interaction

	EU	Iran
Disagreement (%)	25	50
Competitiveness (%)	50	33

The disagreement and competitiveness of the EU-Iran interaction is demonstrated in Table 4.3. Here, Iran has a higher disagreement rate than the EU. While Iran has 50 % disagreement rate, the EU has only 25 % disagreement rate. However, the competitiveness of the EU is 50 % and the competitiveness of Iran is 33 %. In other words, in the EU-Iran interaction, the EU is more competitive than Iran. This is an

interesting finding: Although the EU is more competitive than Iran; Iran has a higher disagreement rate than the EU. Since the EU shows a more competitive behavior than Iran, Iran might have responded this relatively more competitive nature of the EU's behaviors by showing greater disagreement to the EU's statements. However, the higher disagreement rate of Iran might have enforced the EU to be more competitive against Iran. In other words, although a correlation between higher competitiveness of the EU and higher disagreement of Iran exists, the direction or the causation of this correlation cannot be concluded from Table 4.4.

Table4.5: Disagreement and Competitiveness of the (EU+members)-Iran interaction

	EU+members	Iran
Disagreement (%)	25	50
Competitiveness (%)	67	22

Table 4.5 shows the disagreement and competitiveness for the interaction of the EU and members against Iran. Here, the EU and members have 25 % disagreement rate in their interaction towards Iran. On the other hand, Iran has 50 % disagreement rate towards the EU and members. In addition, the level of competitiveness of the EU and members against Iran is 67 %. Iran, however, has 22 % competitiveness against the EU and members.

Adding member states to the EU in its interaction towards Iran does not change the disagreement rate. However, adding member states to the EU increases the competitiveness level of the EU (from 50 % to 67 %) but decreases competitiveness of Iran (from 33 % to 22 %).

Table4.6: Disagreement and Competitiveness of the US-Iran interaction

	US	Iran
Disagreement (%)	33	67
Competitiveness (%)	76	20

Disagreement and competitiveness of the US-Iran interaction is presented in Table 4.6. While disagreement rate of the US towards Iran is 33 %, disagreement rate of

Iran towards the US is 67 %. Moreover, in this interaction the US is more competitive (76 %) than Iran (20%).

Table4.7: Disagreement and Competitiveness of the (US+EU)-Iran interaction

	US+EU	Iran
Disagreement (%)	31	61
Competitiveness (%)	68	23

According to Table 4.7, disagreement rate of the US - EU alliance towards Iran is 31 %. On the other hand, Iran has 61 % disagreement rate towards the US – EU alliance. In addition, while the US – EU alliance has 68% competitiveness rate towards Iran, Iran has only 23 % competitiveness towards the EU-US alliance.

Table4.8: Disagreement and Competitiveness of the (US+EU+members)-Iran interaction

	US+EU+members	Iran
Disagreement (%)	31	61
Competitiveness (%)	70	22

Table 4.8 shows the disagreement and competitiveness levels in the interaction between the alliance of the US, the EU and members towards Iran. While the disagreement of the alliance of the US, the EU and members towards Iran is 31 %, Iran's disagreement towards the alliance is 61 %. Moreover, the competitiveness of the US, the EU and members' alliance is 70 %, Iran's competitiveness is 22 %.

Table 4.9: Disagreement and Competitiveness of the members-Iran interaction

	members	Iran
Disagreement (%)		
Competitiveness (%)	86	

Table 4.9 shows the disagreement and competitiveness rates between the member states and Iran. This table is different than Table 4.5 which takes the EU and the member states as an alliance, as one party against Iran. However, Table 4.9 presents the

interaction between the member states and Iran without adding the EU. Since there are neither disagreements nor agreements in the interaction between the member states and Iran, disagreement rate of each party towards the other cannot be calculated. Moreover, the competitiveness level of the member states towards Iran is 86 %. However, Iran shows neither competitive nor cooperative moves towards the member states. In other words, although the member states made a number of competitive and cooperative statements to Iran, Iran did not make any statements to the member states. Here, not showing a response can be a response. Therefore, maybe Iran gives the message to the member states that in this issue it does not recognize the member states but rather the EU as the side to have an interaction with. If this is the reason of not responding, by recognizing the EU over the independent member states, Iran increases power and legitimacy of the EU in EU – Iran interactions and in the international arena.

This chapter displayed the findings of this study in terms of disagreement and competitiveness rates. Next chapter presents the conclusions from this study and suggests theoretical, methodological and policy implications on the Iran nuclear crisis.

CHAPTER 5

CONCLUSION

This study analyzed the interaction among the US, the EU and Iran on nuclear activities of Iran by comparing their disagreement levels and competitiveness. To start with, the general interactions within each dyad are compared with the interaction within other dyads. After the comparing the interaction within dyads with the other dyads, an actor's interactions in relation to the other actor of the dyad is compared. This comparison starts with the US-EU interaction. During this comparison, interactions between the US and the EU were analyzed in order to understand the nature of transatlantic relations on the Iran nuclear crisis. Second, the interactions between the EU and Iran were examined. Third, the interactions between the US and Iran were studied. Fourth, the US and the EU were taken as a coalition and this coalition's interactions with Iran were examined. During these analyses, other dyads were formed where individual member states' statements were also added to statements by the EU in order to compare the natures of statements by the EU and its member states. This section summarizes the findings of the research and draw conclusions.

The findings of general interactions within each dyad should not be surprising. Regarding the interaction within the dyads, the level of disagreement is the lowest (55 %) in the EU-US interaction. A higher level of disagreement exists between the EU and Iran (75%). However, the US-Iran interaction has the highest disagreement level (100%).

Considering the interaction within the dyads in terms of competitiveness, the relationship between the US and Iran is the most tense (competitive) one. Moreover, the relationship between the EU and the US is the most cooperative one comparing to the relationship between the EU and Iran or the US and Iran. Furthermore, the level of competitiveness between the EU and Iran is higher than the EU-US interaction but lower than the US-Iran interaction. Although these findings help us to understand the general level of disagreement and competitiveness, they do not show which party has a higher degree of disagreement or competitiveness. Therefore, following the interactions within dyads, this study moved to investigate each party's disagreement level and competitiveness towards another party.

Considering transatlantic relations, the findings of the US-EU interaction are interesting. In academic as well as political arena, the US is perceived as a hard power because of its capability and tendency to use its military power as well as economic incentives and the EU is perceived as a soft power because of its tendency to have an influence in its international relations through cultural or ideological means (McCormick 2007, 167). In addition, the EU has relatively smaller military capability than the US which is another important determinant in these perceptions. As a result of these perceptions, one would expect the EU to be softer in its relations with the US. However, this study suggests a surprising finding. In its interactions with the US, the EU has higher disagreement level than the US (44% to 11%). Moreover, the EU is also more competitive than the US (50% to 25%) in the EU–US interaction. These findings might be related with the main focus on intention or the actual use of power in international relations theories rather than the hardness or competitiveness of the rhetoric. Although there were times when the US threatened Iran by using military power, thus far neither the US nor the EU has used military power against anyone regarding the Iran nuclear crisis. Furthermore, the outcome of transatlantic interaction might sound surprising because of the prejudice against the US due to already existing negative perception about the US with the last war in Iraq. In addition, as a soft power who tries to avoid the use of military power, the EU might choose to show hardness (competitiveness) to the US in its rhetoric. However, although the rhetoric can be a signal for future actions, the use of hard (competitive) rhetoric does not always end with the use of hard actions.

In the interactions between the EU and Iran, Iran (50%) has a higher disagreement rate than the EU (25%). However, the EU (50 %) is more competitive than Iran (33%). Since the EU aims to find a solution in the Iran nuclear crisis through diplomatic means, the EU comes up with numerous proposals to Iran regarding various subjects on the issue. Iran's disagreement to most of these proposals or suggestions may have resulted in its high disagreement level. Moreover, by being relatively more powerful actor than Iran, the EU might have chosen to act more competitively. If the more competitive party in this interaction was Iran, this might have put Iran in a dangerous position because of existing suspicions in the West toward Iran and its nuclear program. Therefore, in this interaction a correlation exists between disagreement and competitiveness. However, no conclusion can be made regarding the direction of causation from available data.

The findings in the interactions between the US and Iran remind the EU-Iran interactions. While Iran (67%) has a higher disagreement rate than the US (33%), the US (76%) is more competitive than Iran (20%). The reasons for Iran's higher disagreement level and the US's higher competitiveness level can be similar to the reasons stated above in the EU-Iran interactions.

Similar findings also take place considering the interaction between the US-EU alliance and Iran. Iran's disagreement rate (61%) towards the US-EU alliance is higher than of the US-EU alliance (31%) towards Iran. Likewise, the US-EU alliance towards Iran is more competitive (68%) than Iran (23%) towards the US-EU alliance. Therefore, Iran's high level of disagreement rate and the US-EU alliance's high level of competitiveness can be explained with similar argumentation on the EU-Iran interaction.

Regarding the role of the EU member states, one observation is that the EU member states have an increasing impact on either disagreement or competitiveness depending on the interaction. This impact of the EU member states can be explained by the difference in the nature of the EU and its member states. Once a member state is on its own rather than being an EU representative, it generally does not reflect the compromising character of the EU. In other words, a member state on its own may choose to use a rhetoric associated more with hard power rather than the EU's focus on soft power. A member state's choice for a relatively more competitive rhetoric might

aim domestic popular support in an era where sovereignty of member states of the EU is debated. On the other hand, having an even more complex negotiation structure among its member states in its decision mechanism, using hard power centered rhetoric is not that easy for the EU. After all, the EU frequently puts its emphasis on the significance of its fundamental values including democracy and peace. In addition, relatively low competitiveness of the EU might occur due to the concessions made during the EU's internal decision making mechanism consisting of all of the EU member states.

This section drew conclusions from findings of this study. Next section presents the theoretical implications of this study. Theoretical implications section will be followed by a section on methodological implications and then by a section on policy implications.

1. Theoretical Implications

The literature in classical international relations (IR) does not investigate the interaction process among the states in the form of bargaining. Moreover, studies on international negotiation focus on negotiations that take place in formal settings. Unlike these studies, for the very first time, this study uses bargaining process for determining foreign policy interactions by treating actors' public statements about a certain issue as if these statements take place in a formal negotiation setting.

Among the mainstream theories of IR, the realist theory[2] takes the states as the unitary actors and focuses on the impact of "international distribution of power on the behavior of states and the role of power in deciding political outcomes" (Hampson 1999: 8). For realism, the outcomes in international relations take place in favor of the relatively more powerful states. In addition to the use of structural power, realism is interested in the broader, systemic processes in international relations. However, structural-realist theory is "insufficient for *explaining* foreign policy decisions and outcomes or for *conducting* foreign policy" (George and Bennett 2005, 267-68). Waltz

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[2] Although there are various schools in realist theory, this study considers both classical realism and others including neorealist school.

(1996) also stresses that his structural-realist theory is not a theory of foreign policy. As a result, studying international negotiations has not been an interest for realist school.

International negotiation literature, on the other hand, focuses on bargaining tactics and strategies and treats bargaining and negotiating variables between structural power and outcome in international politics (Hampson, 1999: 9). With this focus, instances where weaker states have reached their objectives in their negotiations with stronger states have been studied in the literature on international negotiation (Habeeb 1988). Among these studies, Landau's (2000) work on economic negotiations argues that good agreements can be reached even when there is power asymmetry since numerous tricks are used by weaker parties.

Another mainstream IR theory, liberalism[3] considers not only the states but also nonstate actors, including transnational actors, nongovernmental organizations, and international regimes and institutions, in international relations. According to liberalism, cooperation and interdependencies among the actors have significant place in international relations. In order to solve the differences and provide cooperation among the states, existing of international institutions and different level of interdependences are needed.

With regard to explaining conflict and cooperation, both realist and liberal schools of IR have shortcomings. These shortcomings can be pointed by negotiation literature. A bargaining perspective warns realist school that "power is more than material resources and that interests are malleable" and advises liberal school that "international cooperation does not necessarily ensue when facilitating background factors are present" Jönsson (2002, 227). Therefore, Jönsson (2002, 227) argues that bargaining theory "highlights the conjunction of cooperation and conflict in most international relations" since realism has its strength on explaining conflict and weakness on handling cooperation, and liberalism has its strength on explaining cooperation and weakness on handling conflict.

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[3] Although various schools of thought exist in liberalism, this study considers liberalist theory in a broader sense which includes contractual theories, idealism, integration theory, neoliberal institutions and others.

Concerning the relationship between bargaining literature and IR theories, Hopmann (1995) connects two dominant theories of IR with two dominant perspectives of international negotiation. Here, while distributive bargaining can be connected with realist paradigm, integrative bargaining can be associated with liberalist paradigm of IR[4]. Thus, which bargaining perspective seems to take place in the interactions on the Iran nuclear crisis? It appears that the parties used distributive bargaining perspective in their interactions with the other parties on the Iran nuclear crisis. This might be related with the use of BPA whose categories appear to reflect distributive rather than integrative bargaining perspective. However, that is not to claim that BPA was insufficient during the coding of statements by the US, the EU and Iran. In fact, there were not any statements in the collected data that would fit integrative bargaining perspective and therefore BPA categories were helpful for the coding of the statements. This shows the dominance of realist paradigm's rhetoric in the interactions. Such dominance of realist rhetoric can also be related with the dominance of realist paradigm in the media. Maybe reporters in the media read or prefer to reflect the international politics within the glasses of realist paradigm. Therefore, the available data for this study might appear to be closer to realism or distributive bargaining.

2. Methodological Implications

The studies which focus on international negotiations mostly concentrate on the formal negotiations that take place among the governments. These studies either observe the negotiation by actually participating to the sessions or use the records or documents of the negotiations in order to analyze them. Although investigating the process of these formal negotiations in detail provide us a deeper knowledge in reaching a certain outcome of the negotiations, access to these formal negotiations is impossible for most of the researchers. Furthermore, unless they take place in the United Nations (UN), records of negotiations for the recent negotiations are frequently unavailable due to their classified characteristics. This classified nature of most of the bilateral or

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[4] In his classification Hopmann uses the term "bargaining" instead of "distributive bargaining" and "problem solving" instead of "integrative bargaining". However, in order to avoid any confusion due to interchangeable use of concepts including bargaining and negotiation throughout this study, Walton and McKersey's (1965) concepts of distributive bargaining and integrative bargaining were chosen to be used here.

multilateral international negotiations led many scholars of international negotiation who are interested in the process to conduct their research on multilateral negotiations that took place under the umbrella of the UN where the observing sessions or reaching to transcripts are available for researchers. However, for the interactions that take place other than in the UN, there should be another way to observe the interaction process. In this regard, this study allows studying more recent interactions among the states because of its selection of public statements and media sources in its analysis. Furthermore, it also provides systemic analysis on the nature (competitive or disagreeing) of the interaction among the parties.

2.1. Content analysis and BPA

One observation during the analysis of the interaction among the parties in this method is that the moves taken by each actor is not always followed by the other party's move. Moreover, in many situations, a statement of an actor follows other statements and the other party may reply to these statements after a number of moves, statements. Furthermore, an actor may also choose not to reply to a number of previous statements by the other party or parties. In fact, not responding or being silent might even be the kind of response by the party. Therefore, the interaction is not same with a proposed bargaining model of reciprocity; such as, tit-for-tat bargaining where the moves of a party depends on previous move of the other party[5]. The reason why the interaction does not take place in an exactly reciprocal form can be related to a number of dimensions:

First, by treating the official statements of each party's representatives as a bargaining process, the method does not create a structure which requires only one move by a party before until the next move of the other party. In other words, there is no restriction on the parties regarding the number of moves each party is allowed to or the timing of each party's response to the other party. Second, the character of the issue and the number of parties interested in the issue might not let the interaction to be an exact reciprocal interaction. Third, missing some of the related statements of one or

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[5] For further information on "tit-for-tat bargaining", see P. Terrence Hopmann, *The Negotiation Process and Resolution of International Conflicts* (Columbia, South Carolina: University of South Carolina Press, 1996), 181-83.

both of the parties might result in an interaction where one of the parties may seem as if it does not respond to all the statements of the other party. Such a flaw might take place if the selected sources for the interaction data base pay more attention to one of the parties over the other, thus creates an atmosphere where one of the parties' statements do not appear as often as the statements, themselves. Put another way, one of the parties may be favored over the other regarding its statements' appearance on the selected media. This kind of bias might occur due to unavailability to some of the sources including language barriers. Therefore, a serious attention should be given during the data base formation for the interaction to have a robust analysis.

Thanks to the choice of the content analysis method, this study may provide ground for further study in this issue. Although the results for this study show the general pattern of interaction among the parties, it does not focus on the changes of these patterns during the period of the study. However, the data provided by the use of BPA also makes further research on timing of the changes in different stages of conflict possible. Therefore, as Druckman and Hopmann (2002) state, content analysis provides an opportunity to conduct a comparative work of behaviors at similar or different stages of negotiation and this study can also provide this opportunity for further research.

Although it is not in this study's focus of interest, an additional argument can be made regarding the group dynamics and alliances in international arena. According to a well-known hypothesis from intergroup relations, the level of ingroup cohesion varies with outgroup hostility: "the more hostile, threatening, or aggressive the outgroup, as indicated by hard negotiation postures, the more cohesive the ingroup" (Druckman and Hopmann 2002, 303). Regarding the interaction with Iran, a similar statement can be made when the US and the EU are considered as allies. As the opposing party (Iran) became harder, the deviant of the transatlantic alliance (the EU) became less hard. As a result, the US-EU alliance became more cohesive. However, this hypothesis necessitates a further study that systematically focuses on the intergroup relations and group cohesion.

3. Policy Implications

The current crisis over Iran's nuclear power is a significant issue for all parties, namely the US, the EU and Iran. After all, nuclear power is a security issue which makes it even more significant for these parties. This study treats the public statements of the parties as an indispensable aspect of the nature of the interaction. Thus, competitive nature of the US-Iran interaction is also supported by the findings in this research.

The Iranian issue is a triangular relationship for the US, the EU and Iran. The interactions among all of the three actors shape the nature and the state of the issue. The interactions between the US and the EU are as important as the interactions between the EU and Iran as well as between the US and Iran.

The transatlantic relationship between the US and the EU brings a role distribution in the Iranian nuclear issue. In this interaction, although the US does not hold direct diplomatic negotiations with Iran, it uses the public statements as an opportunity to send its messages to Iran. Moreover, in the transatlantic alliance, the EU is the actor that holds the direct diplomatic talks with Iran and takes an intervener role. Regarding the interactions with Iran on its nuclear issue, a role sharing takes place between the two actors of the transatlantic alliance. In this role sharing while the US appears to be the bad cop, the EU seems as a good cop. As a result, the bad cop continues to be hard on Iran and the good cop comes up with proposals and suggests Iran to cooperate with the EU on its nuclear issue.

Regarding the interactions with Iran, distribution of the roles between the US and the EU prevents a military option for the parties, especially the US. However, the competitive relationship between the US and Iran might be the reason for not reaching an outcome yet.

Last but not the least, the member states' reactions towards the US or Iran might be continuation of traditional nation-state diplomacy. While the discussion on the changing sovereignty for the member states of the European Union continues, some of

the nation states might prefer to use rhetoric that shows nation-state characteristics for its audience in its domestic politics.

The Iranian nuclear crisis has been a significant issue for the transatlantic relations in the last years. This topic is still important and seems to remain important in the near future. Moreover, a systematic study of the patterns of interactions among the conflicting parties is necessary. This study sheds light to this need of a significant inquiry on the patterns of interaction among the US, the EU and Iran.

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APPENDIX A

Column: Party 1: EU; **Party 2:** US
Row: 1. Initiations, 2. Accomodations, 3. Retractions, 4. Commitments, 5. Threats, 6. Promises, 7. Agreements, 8. Disagreements, 9. Questions, 10. Answers, 11. Positive affect, 12. Negative affect, 13. Subject change, 14. Other

EU-US Coding Sheet

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
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1								X						
1								X						
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2											X			
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2							X							
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1							X							
2				X										
1							X				X			
2											X			
1				X										

Column: Party 1: EU & members; **Party 2:** US
Row: 1. Initiations, 2. Accomodations, 3. Retractions, 4. Commitments, 5. Threats, 6. Promises, 7. Agreements, 8. Disagreements, 9. Questions, 10. Answers, 11. Positive affect, 12. Negative affect, 13. Subject change, 14. Other

EU & members – US Coding Sheet

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1								X						
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1								X						
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2								X						

APPENDIX C

Column: Party 1: EU; **Party 2:** Iran
Row: 1. Initiations, 2. Accomodations, 3. Retractions, 4. Commitments, 5. Threats, 6. Promises, 7. Agreements, 8. Disagreements, 9. Questions, 10. Answers, 11. Positive affect, 12. Negative affect, 13. Subject change, 14. Other

EU-Iran Coding Sheet

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
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APPENDIX D

Column: Party 1: EU & members; **Party 2:** Iran
Row: 1. Initiations, 2. Accomodations, 3. Retractions, 4. Commitments, 5. Threats, 6. Promises, 7. Agreements, 8. Disagreements, 9. Questions, 10. Answers, 11. Positive affect, 12. Negative affect, 13. Subject change, 14. Other

EU&members-Iran Coding Sheet

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1				X										
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1					X									
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APPENDIX E

Column: Party 1: US; **Party 2:** Iran.
Row: 1. Initiations, 2. Accomodations, 3. Retractions, 4. Commitments, 5. Threats, 6. Promises, 7. Agreements, 8. Disagreements, 9. Questions, 10. Answers, 11. Positive affect, 12. Negative affect, 13. Subject change, 14. Other

US-Iran Coding Sheet

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
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1				X									

APPENDIX F

Column: Party 1: US&EU; **Party 2:** Iran
Row: 1. Initiations, 2. Accomodations, 3. Retractions, 4. Commitments, 5. Threats, 6. Promises, 7. Agreements, 8. Disagreements, 9. Questions, 10. Answers, 11. Positive affect, 12. Negative affect, 13. Subject change, 14. Other

US&EU-Iran Coding Sheet

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2												X	X	
2				X										
1					X									
1					X									
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1						X								
1	X													
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69

2						X			X		
2	X										
1			X	X							
2	X										
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2						X					
1			X								

APPENDIX G

Column: Party 1: US&EU&Members; **Party2**: Iran
Row: 1. Initiations, 2. Accomodations, 3. Retractions, 4. Commitments, 5. Threats, 6. Promises, 7. Agreements, 8. Disagreements, 9. Questions, 10. Answers, 11. Positive affect, 12. Negative affect, 13. Subject change, 14. Other

US&EU&members-Iran Coding Sheet

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
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2												X	X	
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APPENDIX H

A more detailed chronology of Iran nuclear crisis (Compiled from: BBC News 2008b; BBC News 2003; Security Council Report 2008; Deutsche Welle 2006; Washington Post 2007; Fox News 2006; Oxford Research Group 2007; Iran Nuclear Watch 2006; BBC News 2008)

- 12 – 13 December 2002: The existence of an uranium enrichment facility at Natanz and a heavy water plant at Arak is confirmed by satellite photographs shown on US television. The US accuses Tehran of "across-the-board pursuit of weapons of mass destruction". Iran agrees to inspections by the International Atomic Energy Agency (IAEA).

- 9 February 2003: Iranian President Mohammed Khatami announced that his country would be producing its own atomic fuel for future civilian nuclear plants.

- 21 Feb. 2003: The International Atomic Energy Agency inspections began.

- 2 May 2003: Iran faxes a letter to the United States through Swiss diplomatic intermediaries offering to engage in a broad dialogue with the United States, including full cooperation on nuclear programs, acceptance of Israel and the termination of Iranian support for Palestinian militant groups. The United States does not respond to the letter.

- 19 June 2003: White House spokesman Ari Fleischer refuses to rule out the "military option" in dealing with Iran.

- June 2003: White House refuses to rule out the "military option" in dealing with Iran after IAEA says Iran "failed to report certain nuclear materials and activities". But IAEA does not declare Iran in breach of Nuclear Non-Proliferation Treaty.

- 26 August 2003: An International Atomic Energy Agency report showed the presence of enriched uranium in Iran at rates superior to what is necessary for civilian use.

- September 2003: Washington says Iran is not complying with non-proliferation accords but agrees to support proposal from Britain, France and Germany to give Iran until end of October fully to disclose nuclear activities and allow surprise inspections.

- 12 September 2003: The International Atomic Energy Agency gave Tehran a 31 October 2003 deadline to prove it was not pursuing an atomic weapons programme.

- October 2003: Iran and three members of the European Union (EU) – Britain, France and Germany – begin engaging in negotiations to ensure that Iran will not develop nuclear weapons capabilities. After meeting French, German and U.K. foreign ministers, Tehran agrees to stop producing enriched uranium and formally decides to sign the Additional Protocol. No evidence is produced to confirm the end of enrichment.

- 21 October 2003: Iran agreed to fully cooperate with the IAEA by promising to suspend its uranium enrichment program and allow tougher UN inspections of its nuclear facilities through the signature of the Additional Protocol.

- 10 November 2003: The International Atomic Energy Agency concluded that there was no evidence of a weapons programme in Iran.

- November 2003: Mr ElBaradei says there is "no evidence" that Iran is pursuing nuclear weapons. The U.S. dismisses the report as "impossible to believe". The IAEA votes to censure Iran but stops short of imposing sanctions.

- 25 November 2003: Britain, France and Germany reach an agreement with the US on a UN resolution to warn Iran over its nuclear activities.

- 18 December 2003: Iran signed the Additional Protocol to the Non-Proliferation Treaty at the IAEA headquarters in Vienna allowing snap inspections of nuclear facilities.

- January 2004: President Bush denies that US has changed its policy towards Tehran and says moves to help Iran in the wake of earthquake do not indicate a thaw in relations.

- February 2004: Abdul Qadeer Khan, the godfather of Pakistan's nuclear bomb, is reported to have sold Iran nuclear weapons technology. IAEA report says Iran experimented with polonium-210, which can be used to trigger the chain reaction in a nuclear bomb. Iran did not explain the experiments. Iran again agrees to suspend enrichment, but again does not.

- March 2004: Iran urged to reveal its entire nuclear program to the IAEA by 1 June 2004.

- March 2004: A UN resolution condemns Iran for keeping some of its nuclear activities secret. Iran reacts by banning inspectors from its sites for several weeks.

- June 2004: IAEA board complains of inadequate co-operation from Iran. In retaliation, Iran says it will resume production and testing of centrifuges.

- September 2004: IAEA orders Iran to stop preparations for a large-scale uranium enrichment. U.S. Secretary of State Colin Powell labels Iran a growing danger and calls for the U.N. Security Council to impose sanctions. Iran says it has resumed large-scale conversion of uranium ore into gas.

- September 2004: The IAEA passes a resolution giving a November deadline for Iran to suspend uranium enrichment. Iran rejects the call and begins converting raw uranium into gas.

- A US nuclear monitor publishes satellite images of an Iranian weapons facility which it says may be involved in work on nuclear arms.

- November 2004: Iran agrees to a European offer to suspend uranium enrichment in exchange for trade concessions. At the last minute, Tehran backs down from its demand to exclude some centrifuges from the freeze. The US says it maintains its right to send Iran unilaterally to the UN Security Council if Tehran fails to fulfil its commitment.

- 15 November 2004: Under the Paris Accord, Iran agreed to suspend most of its uranium enrichment in return for a European undertaking to cooperate on the nuclear, commercial and political levels.

- 13 December 2004: Negotiations between Iran and the EU+3 started.

- January 2005: Europe and Iran begin trade talks. The European trio, France, Germany and the UK, demand Iran stop its uranium enrichment programme permanently.

- February 2005: Iranian President Mohammed Khatami says his country will never give up nuclear technology, but stresses it is for peaceful purposes. Russia backs Tehran, and signs a deal to supply fuel to Iran's Bushehr reactor. New US Secretary of State Condoleezza Rice says attacking Iran is not on the US agenda "at this point in time".

- 27 February 2005: Iran and Russia sign a nuclear fuel accord that paves the way for the start-up of the Bushehr nuclear plant. Russia will fuel the reactor on condition that Iran sends back spent fuel.

- March 2005: President George W Bush signals a major change in policy towards Iran. He says the US will back the negotiation track led by the European trio - EU3 - and offer economic incentives for the Islamic state to give up its alleged nuclear ambitions. Mr Bush announces the US will lift a decade-long block on

Iran's membership of the World Trade Organization, and objections to Tehran obtaining parts for commercial planes.

- April 2005: Iran announces plans to resume uranium conversion at Isfahan.

- May 2005: EU states warn that any resumption of conversion would end negotiations linked to trade and economic issues. Iran agrees to wait for detailed proposals from the Europeans at the end of July.

- July 2005: The US concludes that President Ahmadinejad was a leader of the group behind the 1979 hostage crisis at its embassy in Tehran, but says it is unsure whether he took an active part in taking Americans prisoner.

- August 2005: After rejecting the EU+3 cooperation proposal, Tehran declared it had resumed uranium conversion at its Isfahan plant and insisted the programme was for peaceful purposes.

- August 2005: Hardliner Mahmoud Ahmadinejad is installed as Iranian president, as Tehran pledges an "irreversible" resumption of enrichment.
  - Iran rejects the latest European proposals for resolving the nuclear crisis.
  - Iran appoints a hard-line politician, Ali Larijani, to lead the country's nuclear talks with the European Union.
  - Iran resumes sensitive fuel cycle work at its uranium conversion facility near the city of Isfahan.
  - An independent investigation finds no evidence that Iran was working on a secret nuclear weapons program. It concludes that traces of bomb-grade uranium in Iran's nuclear facilities came from contaminated Pakistani equipment, not Iranian activities. The U.S. dismisses the report.

- August 2005: President George W Bush makes the first of several statements in which he refuses to rule out using force against Iran.

- 5 August 2005: Two days after taking office, President Mahmud Ahmadinejad rejects a broad compromise package with incentives put forth by the EU in the hopes of ending the escalating nuclear standoff.

- 8 August 2005: Iran commences uranium conversion at its nuclear facility in Isfahan for the first time since November 2004. The EU breaks off its negotiations with Tehran.

- September 2005: A study by the International Institute for Strategic Studies concludes that Iran is still several years away from acquiring a nuclear weapons capability.
    - Speaking before the U.N. General Assembly, Iranian President Mahmoud Ahmadinejad says his country has an "inalienable right" to produce nuclear fuel.
    - The IAEA passes a resolution setting Iran up for referral to the U.N. Security Council at a later date, on the grounds of Tehran's non-compliance with international nuclear safeguards.

- 2 September 2005: Report by IAEA chief Mohamed ElBaradei confirms Iran has resumed uranium conversion at Isfahan.

- 15 September 2005: New Iranian President Mahmoud Ahmadinejad says Iran ready to transfer nuclear know-how to other Muslim nations.

- 20 September 2005: Tehran threatens to resume uranium enrichment, block UN inspections and abandon the Non-Proliferation Treaty if it is referred to the UN Security Council.

- 24 September 2005: With the exception of two abstentions from Russia and China, the IAEA passes a resolution reserving the right to send Iran's case to the UN Security Council.

- 11 November 2005: With the agreement of the EU and the US, Russia proposed that Iran enrich uranium in Russia. The plan was rejected by Iran.

- December 2005: Iran refused to resume negotiations with the EU+3. Ahmadinejad again rejected the Russian proposal, and then agreed to consider it.

- January 2006: After a failed attempt to have the Iranian delegation meet the UN inspectors in Vienna, Iran broke the IAEA seals at its Natanz nuclear research facility on 10 January and declared its intention to resume the enrichment process.

- 3 January 2006: Iran announces the resumption of nuclear research activities that were suspended for two years, provoking a call from the IAEA to continue the moratorium.

- 7 – 8 January 2006: Russian-Iranian negotiations over Moscow's compromise solution break off. Tehran insists on enriching uranium on its own territory.

- 10 January 2006: Iran removes U.N. seals at Natanz uranium enrichment plant and resumes research on nuclear fuel despite Western warnings it would endanger efforts to find compromise.

- 12 January 2006: Britain, France and Germany, who make up the EU-3, say the time has come for the U.N. Security Council to become involved and call for an emergency IAEA meeting next week.

- 13 January 2006: The Britain, France and Germany (EU-3) issue a statement to the International Atomic Energy Agency entitled "E3/EU Statement on the Iran Nuclear Issue" reporting on their assessment of the situation. The statement calls Iran's decision to restart enrichment activity a clear rejection of the process the E3/EU and Iran have been engaged in for over two years with the support of the international community.

- 13 January 2006: Iran threatens to halt cooperation with the IAEA if it is referred to the Security Council. Bush says Iran's referral to the Council is the "logical" next step.

- 27 January 2006: US President George W. Bush voices support for the Russian proposal. Iran rejects it as "not sufficient" for its nuclear needs.

- 31 January 2006: The five permanent members of the U.N. Security Council and Germany agree to report Iran to the council, postponing the action until March. IAEA reports that Iran has begun research relating to uranium enrichment, a step towards making nuclear weapons as well as fuel for reactors.

- February 2006: Iran resumed enrichment following the 4 February IAEA resolution reporting Iran to the Security Council, and threatened to withdraw from the Non-Proliferation Treaty.

- 2 February 2006: Emergency session of the IAEA board of governors convenes. Russia and China drop earlier opposition and agree to support Western powers by voting for a resolution to refer Iran to the UN Security Council over its disputed nuclear activities.

- 5 February 2006: Iran ends all voluntary cooperation with the IAEA, saying it would start uranium enrichment and bar surprise inspections of its facilities.

- 6 February 2006: Applying economic sanctions on Iran without U.N. backing would be legitimate if other efforts fail to convince Tehran to halt uranium enrichment, says US Principal Deputy Assistant Secretary of State Kurt Volker.

- 11 February 2006: Iran warns it may reconsider nuclear Non-Proliferation Treaty membership.

- 13 February 2006: Iran resumes some uranium-enrichment work at its Natanz nuclear plant, a first step in a process that can potentially yield either fuel for atomic reactors or bombs.

- 27 February 2006: Negotiations between Iran and Russia on the Iranian nuclear program have made no significant progress despite talk of an outline agreement by both sides, the German and French foreign ministers say. The IAEA says that Iran appears determined to expand its uranium enrichment program.

- March 2006: US Secretary of State Condoleezza Rice says the US faces "no greater challenge" than Iran's nuclear programme.

- 8 March 2006: IAEA votes unanimously to cut almost half its aid programs to Iran as part of the UN sanctions targeting Tehran's nuclear program. The Iranian ambassador to the International Atomic Energy Agency, Ali Asghar Soltanieh, counters that the move will not affect his country's enrichment work.

- 12 March 2006: Iran says it is no longer considering a Russian compromise deal.

- 16 March 2006: President George W. Bush presents the United States National Security Strategy of 2006. The NSS states that "The proliferation of nuclear weapons poses the greatest threat to our national security. Nuclear weapons are unique in their capacity to inflict instant loss of life on a massive scale. For this reason, nuclear weapons hold special appeal to rogue states and terrorists." The report goes on to state that "We may face no greater challenge from a single country than from Iran."

- 20 March 2006: Iranian President Mahmoud Ahmadinejad says Iran will stand by its right to obtain nuclear technology and anyone spreading propaganda against its atomic program will come to regret it.

- 20 March 2006: President Bush said he hoped to solve the issue diplomatically with a united message from the P5, but added that it will use military power to protect Israel.

- 29 March 2006: The U.N. Security Council unanimously approves a statement demanding that Iran suspend uranium enrichment.

- 2 April 2006: Iran says it has successfully test fired a high-speed underwater missile capable of destroying warships and submarines.

- 10 April 2006: Bush says force is not necessarily required to thwart Iran's nuclear ambitions and dismisses reports of plans for military strikes as "wild speculation."

- 11 April 2006: Iranian President Mahmoud Ahmadinejad says Iran has achieved the goal of enriching uranium for its nuclear power program and that the nation is determined to develop production on an industrial scale.

- 25 April 2006: Ali Larijani said Iran would cut ties with the International Atomic Energy Agency if the Council imposed sanctions on Iran.

- 28 April 2006: The IAEA says Iran has enriched uranium and persists with related activities in its nuclear program in defiance of the U.N. Security Council.

- 29 April 2006: Iran says it is willing to resume allowing snap U.N. atomic inspections if its case is dropped by the U.N. Security Council and passed back to the International Atomic Energy Agency.

- 30 April 2006: Secretary of State Condoleezza Rice says Iran's offer to let a watchdog agency inspect the country's nuclear facilities is a stalling tactic.

- 2 May 2006: An Iranian Revolutionary Guards commander says Israel would be Iran's first retaliatory target in response to any U.S. attack. European nations,

backed by the U.S., outline a planned U.N. Security Council resolution to give "mandatory force" to the atomic watchdog agency's demands that Iran halt uranium enrichment.

- 3 May 2006: Britain and France introduce a U.N. Security Council resolution that would be legally binding and set the stage for sanctions against Iran if it does not abandon uranium enrichment.

- 8 May 2006: Iran's president writes to Bush, proposing what the nation's top nuclear negotiator called a new "diplomatic opening" between the two countries. The letter declares that liberalism and democracy had failed, and criticizes the United States over a host of issues ranging from the invasion of Iraq to its support for Israel. Secretary of State Rice dismisses the letter, saying it failed to resolve the dispute over the Iranian nuclear program.

- 10 May 2006: Iran's president dismisses Western concerns over its nuclear program as "a big lie."

- 14 May 2006: Ahmadinejad says Iran would not accept any offer made by European states if it included a demand that Tehran stop what he called peaceful nuclear activities. The White House dismisses calls for direct talks with Iran to resolve the stand-off over its nuclear program, saying the United Nations was the best forum for those discussions.

- 16 May 2006: France, Germany and the U.K. say they plan to offer Iran a light-water nuclear reactor as part of a package of incentives.

- 17 May 2006: Ahmadinejad rules out halting nuclear fuel work in return for a package of EU incentives, saying the Europeans were offering "candy for gold."

- 21 May 2006: US Secretary of State Rice says European powers have not asked the United States to provide security guarantees to Iran.

- 31 May 2006: The United States offers to join European-Iranian negotiations over Iran's nuclear program provided that Iran first suspend all uranium enrichment and reprocessing activities.

- 1 June 2006: The United States Russia, China, France, Germany and the European Union offer Iran a broad new collection of incentives in return for giving up its uranium enrichment program.

- 2 June 2006: The deputy head of Iran's Atomic Energy Organization says Iran will not stop its nuclear enrichment activities.

- 3 June 2006: Ahmadinejad says Iran will consider incentives from six world powers to persuade it to abandon plans to make nuclear fuel.

- 4 June 2006: Supreme Leader Ayatollah Ali Khamenei criticizes the United States and other countries confronting his government over its nuclear program, calling suggestions of a consensus against Iran "a lie."

- 5 June 2006: European Union foreign policy chief Javier Solana will present Iran with a package of incentives on Tuesday, June 6, says a spokeswoman.

- 7 June 2006: A demand by the United States, France, Britain and Germany that Iran commit to a prolonged freeze on uranium enrichment has been softened to require only suspension during talks on an offer made by six countries.

- 8 June 2006: The IAEA says Iran slowed the pace of uranium enrichment over the past month but speeded up again on the day it received a package of incentives meant to persuade it to give up the technology.

- 9 June 2006: Top hard-line Iranian cleric Ayatollah Ahmad Jannati comes out against the Western incentive package.

- 10 June 2006: The Iranian foreign minister says Iran will make a counteroffer in response to the incentive package.

- 11 June 2006: Iran makes clear it wants changes in a Western incentives package aimed at making a breakthrough in the nuclear dispute, saying some parts should be thrown out and that the central issue of uranium enrichment needs clarification.

- 13 June 2006: The United States prohibits all transactions with four Chinese companies and one U.S. company for allegedly helping Iran acquire weapons of mass destruction and missiles capable of delivering them.

- 3 July 2006: The Bush administration warns Iran the United States would consider taking action in the United Nations if Tehran did not respond by July 12 to an offer designed to halt uranium enrichment.

- 5 July 2006: Talks between Iran and the European Union on a package of incentives designed to defuse the standoff over Iran's atomic program are postponed. Rice warns Iran not to delay talks aimed at ending its nuclear program.

- 10 July 2006: U.S. and British diplomats says Iran has had long enough to consider a proposed deal to give up disputed portions of its nuclear program.

- 12 July 2006: Diplomats from the United States, Russia, China and European Union announce they will return to the U.N. Security Council for possible punitive action against Iran, expressing "profound disappointment" over Tehran's refusal to stop its uranium enrichment program or respond to incentives offered.

- 31 July 2006: U.N. Security Council approves a resolution demanding that Iran suspend its enrichment and reprocessing of nuclear fuel by Aug. 31 or face the threat of economic and diplomatic sanctions.

- 22 August 2006: Iran gave its formal reply to an offer by the European Union, backed by the United States, for trade and other concessions if Iran suspends its enrichment of uranium. In a 21-page response Iran suggested that it was prepared to talk again about suspension but would not accept this as a precondition.

- 23 August 2006: The U.S. says Iran's response falls short of the conditions set by the Security Council.

- 26 August 2006: Iran inaugurates a heavy-water plant, expanding its nuclear program. President Mahmoud Ahmadinejad shrugs off the possibility of sanctions, insisting his country will not slow its nuclear ambitions.

- 29 August 2006: President Mahmoud Ahmadinejad challenges President Bush to a televised debate as nuclear specialists begin enriching a new batch of uranium; the White House dismisses the debate invitation as a "diversion."

- 31 August 2006: On the deadline day for Iran to stop enriching uranium, U.N. inspectors report that Iran has refused to comply. President Bush calls Iran a "grave threat" and says "there must be consequences" for Tehran's actions.

- 11 September 2006: Secretary of State Condoleezza Rice signals that a temporary suspension of Iran's nuclear programs might be enough to allow the first direct negotiations involving the United States and Iran in more than a quarter-century.

- 12 September 2006: In a document given to foreign governments, Iran says it is willing to engage in negotiations, but only if U.N. sanction proceedings end.

- 13 September 2006: U.N. inspectors investigating Iran's nuclear program complain in a letter that parts of a House committee report on Iran's capabilities contained some "erroneous, misleading and unsubstantiated statements."

- 19 September 2006: The United States and five other countries back off on demands for U.N. sanctions on Iran, setting early October as a new deadline for the country to suspend nuclear activities; in a separate meeting, President Mahmoud Ahmadinejad maintains that Iran's nuclear program is for peaceful purposes.

- 3 October 2006: Mohammad Saeedi, deputy chief of Iran's Atomic Energy Agency, proposes that France create a consortium to enrich Tehran's uranium, saying such an arrangement could satisfy international demands for outside oversight. U.S. Secretary of State Condoleezza Rice suggests the international community will have no choice but to impose sanctions on Iran if it refuses to suspend its uranium-enrichment efforts.

- 17 October 2006: European Union foreign ministers express backing for gradual sanctions against Iran's nuclear program. EU foreign ministers in Luxembourg say in their final statement that "Iran's continuation of enrichment-related activities has left the EU no choice but to support consultations" on United Nations sanctions. Nevertheless, they say, the door to negotiations remains open.

- 25 October 2006: Iran expands its controversial nuclear work by starting a second cascade of centrifuges to enrich uranium. This second cascade of centrifuges, based in Natanz, doubles Tehran's enrichment capacity. Iran says it plans to install 3,000 centrifuges at Natanz by the end of 2006.

- 5 November 2006: Iranian Foreign Ministry spokesman Mohammad Ali Hosseini says Tehran is ready to consider negotiating with the United States on regional issues, including Iraq, if Washington requests it.

- 14 November 2006: The International Atomic Energy Agency reports that new traces of plutonium and enriched uranium, potential material for atomic warheads, have been found at a nuclear waste facility in Iran.

- 23 December 2006: The U.N. Security Council votes unanimously to restrict Iran's trade in sensitive nuclear materials and to freeze the assets of 22 Iranian officials and institutions linked to the country's most controversial nuclear programs. Iran vows to press ahead with uranium enrichment despite the sanctions.

- January 2007: Under Secretary of State Nicholas Burns says that members of the Iranian Revolutionary Guard had been arrested in Iraq. He said they had been "engaged in sectarian warfare".
    - In his State of the Union address on 24 January, Mr Bush lumps Iran with al-Qaeda: "It has also become clear that we face an escalating danger from Shia extremists who...take direction from the regime in Iran," he says. "The Shia and Sunni extremists are different faces of the same totalitarian threat."
    - A few days later, seeking to ease concerns about a future military confrontation with Iran, the US president says he has "no intent" to attack the country.

- 22 January 2007: EU foreign ministers announced a decision to ban trade with Iran in all the goods on the Nuclear Supplier Group and Missile Technology Control Regime lists.

- 12 February 2007: European Union foreign ministers agree to impose limited sanctions recommended by the U.N. Security Council, including banning the sale of materials and technology that could be used in nuclear and missile programs.

- 22 February 2007: The International Atomic Energy Agency issues a report saying Iran has defied a U.N. Security Council resolution to halt its most sensitive nuclear activities by the Feb. 21 deadline. Secretary of State Condoleezza Rice warns Iran that the move risks incurring further sanctions.

- 24 March 2007: The Security Council unanimously approves new arms and financial sanctions against Iran for refusing to suspend uranium enrichment. The vote came as 15 British sailors and marines seized by Iranian naval forces a day earlier were transferred to Tehran.

- 9 April 2007: Iran announces that it has begun enriching uranium with 3,000 centrifuges, defiantly expanding its nuclear program. President Ahmadinejad says he is capable of enriching nucler fuel "on an industrial scale." He stressed that Iran's nuclear programme would be for peaceful purposes.

- 25 April 2007: EU High Representative for the Common Foreign and Security Policy Javier Solana and Ali Larijani held talks in Ankara.

- 10 May 2007: The EU3+3 met in Berlin and reaffirmed that a negotiated solution was their goal but agreed to start work on a third resolution imposing additional sanctions.

- 14 May 2007: Iranian nuclear negotiator Ali Larijani announced that suspension of uranium enrichment would not be negotiated.

- 23 May 2007: The IAEA issues a report that Iran has again defied U.N. demands to suspend its nuclear enrichment programs, leading President Bush and administration officials to call for tougher sanctions on Tehran.

- 31 May 2007: The EU foreign policy chief Javier Solana met Iranian negotiator Ali Larijani in Spain. Larijani suggested that Iran was ready to better cooperate with the International Atomic Energy Agency.

- June 2007: The US threatens to get much tougher with international energy companies that do business with Iran.

- 3 June 2007: Tensions between Iran and the international community increased. Following President Ahmadinejad's remarks calling for "the destruction of the

Zionist regime", France and the US pushed the Council to adopt a press statement condemning these remarks, but no consensus could be reached.

- 8 June 2007: In a final statement, the G8 deplored Iran's failure to meet its obligations under Council resolutions and supported additional measures should Iran further refuse to comply.

- 23 June 2007: Ali Larjani and Javier Solana met again but no encouraging development had occurred.

- 31 July 2007: IAEA inspectors visited Iran's Arak research nuclear reactor which is designed for producing plutonium. Also, an arms deal was signed between the US and various Arab allies. US officials have said that one goal was to counter the growing power of Iran. Finally, the Deutsche Bank announced its decision to cease doing business involving Iran.

- September 2007: Iran has met a key target for its nuclear programme and now has 3,000 centrifuges enriching uranium, President Ahmadinejad announces.

- September 2007: President Ahmadinejad says Iran is not heading for armed conflict with the United States.

- 25 September 2007: During his speech to the UN General Assembly, Iranian President Mahmoud Ahmadinejad said he considered the dispute over Iran's nuclear program as closed and that it had "turned into an ordinary Agency [IAEA] matter".

- October 2007: Washington's military commitments to Iraq and Afghanistan would hamstring an attempt to wage war on Iran, the Iranian foreign minister says.

- October 2007: Top US military commander in Iraq, Gen David Petraeus, accuses Iran's ambassador of belonging to an elite unit of Iran's Revolutionary Guards.
  - Gen Petraeus said Hassan Kazemi-Qomi was a member of the Quds Force, which the US believes backs foreign Islamic militant movements.

- October 2007: The US steps up its sanctions on Iran for "supporting terrorists" and pursuing nuclear activities.
  - The new measures target the finances of Iran's Islamic Revolution Guards Corps and three state-owned banks.

- 15 October 2007: EU foreign ministers discussed French-sponsored proposals to reinforce EU unilateral sanctions (such as broader cut-offs in bank lending) before another Security Council resolution. A statement was adopted, which said that "the EU will consider what additional measures it might take in order to support the UN process."

- 20 October 2007: Iranian nuclear negotiator Ali Larijani resigned and was replaced by Said Jalili, a close ally of President Mahmoud Ahmadinejad.

- 23 October 2007: Solana and the new Iranian nuclear negotiator met in Rome to discuss Iran's nuclear programme. Both sides described those talks as "constructive," but there was no movement on the issue of uranium enrichment suspension, and in a statement made on the same day, Iranian President Ahmadinejad said that Iran would not retreat "one iota" from its nuclear programme.

- November 2007: In a new report, the UN nuclear watchdog says Iran has supplied transparent data on its past nuclear activities but adds it has limited knowledge of its current work.
  - The US vowed to push for further UN sanctions against Iran, following the IAEA report.

- o But Iran's President Ahmadinejad says the report showed Iran had been truthful about its nuclear activities - and the US and its allies should apologise for their treatment of Iran.

- 2 November 2007: The E3+3 Political Directors met in London and reaffirmed their position as expressed in the 28 September 2007 statement.

- 13 November 2007: Chinese Foreign Minister Yang Jiechi visited Iran. He urged President Ahmadinejad to halt the uranium enrichment programme in compliance with international demands. He acknowledged Iran's right to peacefully use nuclear energy and expressed hope that all parties would show flexibility for a peaceful resolution of the Iran nuclear issue. This followed a visit to Iran by Russian Foreign Minister Sergey Lavrov on 30 October.

- 30 November 2007: EU envoy Javier Solana and the Iranian nuclear negotiator Said Jalili met in London to discuss renewed negotiations on Iran's nuclear programme. Solana later described the talks as "disappointing", while Jalili described them as positive.

- 3 December 2007: A new US National Intelligence Estimate (NIE) was published indicating that Iran had halted its nuclear weapons programme in 2003.

- 11 December 2007: Iranian President Mahmoud Ahmadinejad portrayed the NIE report's conclusions as a "victory" for Iran. He also said there should be dialogue with the US. Former nuclear negotiator Ali Larijani also suggested that the E3+3 should hold face-to-face talks with Iran.

- 13 December 2007: Russia and Iran signed an agreement to complete the Bushehr nuclear plant project. Delivery of fuel, which had been delayed several times, began in December. The US said this confirmed that Iran had no need to continue its enrichment programme, since fuel was available.

- 14 December 2007: In a statement, the EU renewed support for additional UN sanctions and additional unilateral measures as well.

- December 2007: As a response to Ahmedinejad's speech on 11 December, President Bush said that Iran should reveal the full extent of its nuclear programme, or risk further international isolation.

- December 2007: US Defence Secretary Robert Gates said Iran still posed a serious threat to the Middle East and the US.
  - Mr Gates told a Bahrain conference Iran may have restarted its nuclear weapons programme, despite a US intelligence report saying it had stopped.

- December 2007: Iran sends a formal protest letter to the United States, accusing it of spying on Iran's nuclear activities.

- December 2007: Washington says Iran has no need to continue its own nuclear programme after Russia started delivering fuel to the Bushehr power plant.

- January 2008: Iran's Supreme Leader, Ayatollah Ali Khamenei, said relations with the US could be restored in the future.

- 22 January 2008: The E3 plus 3 foreign ministers met in Berlin and agreed on elements for a new sanctions resolution.

- 4 February 2008: Iran reported it had launched a rocket from its new space centre in the Semnan province. A Russian official said this raised suspicions about Iran's nuclear programme. Iran also stated that it was testing an advanced nuclear centrifuge. The US said that this strengthened the case for a third sanctions resolution.

- 15 February 2008: Media reports revealed that the US shared intelligence data with the IAEA showing that Iran has tried to develop a nuclear weapon in the

past, especially information on the "green salt project". The findings came from an Iranian laptop that the CIA acquired in 2004. Ali Asghar Soltanieh, Iran's envoy to the IAEA, called the data "100 percent fabricated and forged."