



The Stanley Foundation

Policy Analysis Brief

December
2006

Innovative approaches to peace and security from the Stanley Foundation

Coercive Diplomacy: Scope and Limits in the Contemporary World

Summary

Libya's end to its WMD programs and terrorism shows that it is possible to gain cooperation even from "rogue" states through coercive diplomacy. While no two cases are the same, the Libya case has important lessons for the scope and limits of coercive diplomacy as a general strategy and with regard to Iran and North Korea.

The key to the Libya success was a strategy, started in the Clinton administration and continued in the Bush administration and pursued jointly with Britain and support from others, balancing carrots and sticks consistent with three criteria—proportionality, reciprocity, and coercive credibility.

- Proportionality was in making the objective policy—rather than regime-change. The policy—not-regime-change reassurances provided through the secret talks and other channels were crucial to the progress that was made.
- Reciprocity involved carefully calibrated carrot-and-stick diplomacy establishing step-by-step linkages between the carrots offered and the concessions made and building trust after decades of bitter conflict.
- Coercive credibility came from multilateral economic sanctions and to some extent, although much less than claimed by the Bush administration, the backdrop of military force.
- Another key was forging substantial multilateral support. Having UN and not just US sanctions both strengthened the economic impact and sent a strong message of international political will.
- Political and economic shifts within Libya that made cooperation more in Qaddafi's interests than defiance also were a factor.

One of the main implications for Iran and North Korea is the counter-productivity of threats of regime change. Others include the need for multilateral support especially for coercive measures and the overall importance of deft diplomacy.

Bruce Jentleson

Bruce Jentleson is professor of public policy and political science at Duke University. He is also a visiting senior research fellow (2006–2007) at Oxford University and the International Institute for Strategic Studies (London) and a Fulbright senior research scholar in Spain. He has authored seven books, including American Foreign Policy: The Dynamics of Choice in the 21st Century, a leading university text on the subject (W.W. Norton, third edition, 2007). He was a senior foreign policy advisor to Vice President Al Gore during the 2000 presidential campaign and a member of the State Department Policy Planning Staff in the Clinton administration.

The allure of compelling another government to back down through the threat rather than use of force can be a siren's song. Alexander George long ago warned about both the "attractiveness" and the "beguiling" nature of coercive diplomacy. On the one hand, it can "achieve reasonable objectives in a crisis with less cost; with much less, if any, bloodshed; with fewer political and psychological costs; and often with less risk of unwanted escalation than is true with traditional military strategy"—the 1962 Cuban missile crisis being the case in point.¹ On the other hand, coercive diplomacy often has seemed easier as a general proposition than as a concrete case, with only one other clear success in George's study and only a 32 percent success rate in the 2003 US Institute of Peace study on the subject by Robert Art and Patrick Cronin.

Sorting out
when, why, and
how coercive
diplomacy
succeeds or fails
is important
for both theory
and policy.

This is why the recent major coercive diplomacy success of the “de-roguing” of Libya stands out.² Libya and Muammar Qaddafi—a charter rogue state and the leader Ronald Reagan called “the madman of the Middle East”—discontinued support for terrorism including settling the 1988 Pan Am 103-Lockerbie case (in which 259 people, including 189 Americans, were killed) and did a nonproliferation “full Monty,” abandoning its nuclear and other weapons of mass destruction (WMD) programs. The debate over why Libya complied, and where the credit belongs, is controversial politically and challenging analytically. In Vice President Dick Cheney’s view, this was “one of the great byproducts...of what we did in Iraq and Afghanistan...five days after we captured Saddam Hussein, Muammar Qaddafi came forward and announced that he was going to surrender all of his nuclear materials to the United States.” Others stressed the importance of diplomacy, especially the secret talks between Libya and the United States initiated by the Clinton administration and resumed by the Bush administration, with the British playing a significant role. Qaddafi’s son Seif el-Islam Qaddafi told the media that it was a “win-win deal” for both sides: “[Our] leader believed that if this problem were solved, Libya would emerge from the international isolation and become a negotiator and work with the big powers to change the Arab situation.”

While the dust has not yet fully settled, the success achieved in the Libya case through the balance struck between coercion and diplomacy offers a striking contrast with Iraq, where military force was wielded too quickly with too little diplomacy. It is in this context that this Policy Analysis Brief focuses on coercive diplomacy and the scope, limits, and requisites for its effectiveness as a foreign policy strategy in the contemporary world. The first section provides an analytic framework for defining coercive diplomacy, reviewing its track record, and delineating the parameters for success. The second section provides a brief review of the Libya case. The third presents policy recommendations both as a general strategic framework and applied to major current cases such as Iran and North Korea.

Analytic Framework: Definition, Track Record, and Parameters for Success

As the term implies, this is a diplomatic strategy with a degree of limited coercion. Carrots may be included, but, by definition, so too are sticks. The sticks can include economic sanctions as well as military force. While definitional precision is difficult, the key contrasts are with classical diplomacy, in which coercion is merely a remote contingency and the emphasis is on dialogue and peaceful means, and war or other uses of “brute force” to “take what you want,” to borrow from Thomas Schelling’s seminal *Arms and Influence*. Coercive diplomacy applies pressure in a manner and magnitude that “seeks to persuade an opponent to cease aggression rather than bludgeon him into stopping...just enough force of an appropriate kind to demonstrate resolution and to give credibility to the threat that greater force will be used if necessary.”³

The literature confirms how difficult it is to theorize, let alone strategize, about the key factors for success in anything more than conditional and probabilistic terms. George and Simons have five contextual variables, nine conditions, and four variants. Art and Cronin build on George and Simons’ framework, agreeing with some of their variables and disagreeing with others, adding three factors of their own and providing additional reasons why coercive diplomacy is inherently difficult. And even then, further caveats about the “context dependence” of each case and the diplomatic deftness required are stressed.

Still, some sorting out of when, why, and how coercive diplomacy succeeds or fails is important for both theory and policy. The framework outlined below stresses two sets of factors, one focusing on the coercer state’s strategy and the other on the target state’s

Policy Analysis Briefs are thought-provoking contributions to the public debate over peace and security issues. The views expressed in this brief are those of the author and not necessarily those of the Stanley Foundation. The author’s affiliation is listed for identification purposes only.

counterstrategies. The keys to success are a coercer state strategy that combines carrots and sticks consistent with three criteria—proportionality, reciprocity, and coercive credibility—against a target state in which domestic political and economic conditions act more as “transmission belts” than “circuit breakers” for the external pressure and persuasion.

Coercer State Strategy

In broad terms the prospects for successful coercive diplomacy depend on the costs of noncompliance that can be imposed on the target state and the benefits of compliance that can be offered being greater than that state’s countervailing benefits of noncompliance and costs of compliance. A coercer state’s ability to tip this balance in its favor rests on its meeting three key criteria: proportionality, reciprocity, and coercive credibility.

Proportionality refers to the relationship between the scope and nature of the objectives being pursued and the leverage being applied in their pursuit. The main proportionality problem that arises for current policy is the extraordinary stakes associated with the call for regime change in the target state rather than merely policy change. It is hard enough to coerce changes in a state’s policy; coercing changes in its nature and composition carries an even higher degree of difficulty. Although we don’t see a strict linear relationship by which the limited scope of objectives always boosts the chance of success, we do see the policy change/regime change differentiation as a crucial proportionality threshold.

Reciprocity involves an explicit or at least mutually tacit understanding of linkage between the coercer’s carrots and the target’s concessions. This exchange may be explicitly step-by-step or left more implicit so long as it is sufficiently clear and robust regarding what is expected of the target that the target does not think it can get the benefits without having to reciprocate. Conversely, if the target is unsure that reciprocation will follow, it may question whether the costs of the concessions being demanded are worth the return. The calibration and sequence of the exchanges are to build gradually and equitably to a conclusive resolution. At every key step, both sides must believe they are getting “something for something” rather than “nothing for something.”

Coercive credibility means that in addition to the running calculations comparing the costs and benefits of cooperation, the target knows that a definitive refusal to cooperate would have serious consequences. This is the element of intimidation to go with the reassurance cultivated through reciprocity, a complementarity that can make for a force-diplomacy balance lacking in either alone. It is not enough, though, just to have superior military force or economic position. For example, the United States was the coercer state in all the Art and Cronin and George and Simons cases (in some cases unilaterally, in others as a coalition leader, but always in a principal role), always against targets less militarily powerful, yet this was no guarantee of success, as noted earlier.

Getting these elements right is in part a substantive matter of strategy. It also requires international and domestic political contexts that are more enabling than constraining. All three elements of a balanced coercive diplomacy strategy are more likely to be achieved if other major international actors are supportive and if opposition within the coercer state’s own domestic politics is limited. Domestic constraints can come both from those with interests threatened by sanctions and other coercive measures (e.g., oil companies in the Libya case) and from those favoring coercive measures (e.g., the families victimized by the Pan Am 103-Lockerbie bombing).

Success...depends on the costs of noncompliance that can be imposed on the target state and the benefits of compliance....

Even dictatorships usually cannot fully insulate themselves from elites within their own governments and societies.

Target State Counterstrategies

Whatever the strengths of the coercer state's strategy, the target state's counterstrategies also have to be taken into account. It is a given that all leaders want to stay in power, whether for the allotted terms as in democracies, or on the more open-ended basis possible in nondemocracies. The key issue is how the domestic politics line up. Can a regime gain more internal political support and security by defiance, or are there domestic political gains to be made from improving relations with the coercer? This, in part, is a function of the strength and flexibility of the domestic economy and its capacity to absorb and/or counter the costs being imposed through ample budget resources, import substitution, alternative trade partners, and other ways of reducing economic vulnerability. Even dictatorships usually cannot fully insulate themselves from elites within their own governments and societies. To the extent that elite interests are threatened by compliance with the coercer state's demands, they act as "circuit breakers" blocking the external pressures on the regime. To the extent that their interests may actually be advanced by the policy concessions being demanded, they become "transmission belts" sending on and even adding to the pressure on the regime.

These are dynamic factors that can change over time and interact with other internal factors which may strengthen or weaken the regime. Other international factors such as global markets (e.g., oil markets) and geopolitics also play a role. These need to be taken into account while keeping the analytic focus on the circuit breaker-transmission belt dynamic within the target state.

The Libya Case

On December 19, 2003, in an announcement that caught most of the world by surprise, Libya agreed to full WMD disarmament. The Libyan commitment included: elimination of its chemical and nuclear weapons programs, declaration of its nuclear activities to the International Atomic Energy Agency (IAEA) and commitment to be in compliance with the Nuclear Non-Proliferation Treaty (NPT), elimination of all ballistic missiles beyond a 300-kilometer range with a payload of 500 kilograms, elimination of all CW stocks and munitions, and accession to the Chemical Weapons Convention—with immediate inspections and monitoring to verify all of the above. This was on top of the final settlement of the Pan Am 103-Lockertie case reached a few months earlier, including payments of \$2.7 billion to the victims' families.

The Bush administration has wildly overclaimed that the invasion of Iraq and then the capture of Saddam Hussein were the keys to Qaddafi's concessions. It is far from clear that Qaddafi believed that he was next after Saddam. With the American military so overextended and given the intense international opposition the Iraq war had generated, Qaddafi could have been even less worried about a US threat to his regime. Moreover, Qaddafi was not on the axis of evil rogue "top three." A more measured assessment was that, as one key US official put it, the use of force in Iraq and Afghanistan helped in "clarifying" Qaddafi's choices. Force was a factor, but not *the* factor.

The real story is more about skilled and deft diplomacy. The diplomatic track dates back to the first Bush administration and the successful effort in 1992 to get UN Security Council multilateral economic sanctions against Libya. It continued through the Clinton administration including further tightening of UN Security Council sanctions in 1993 and later joining the British in secret direct negotiations

with high-ranking Libyans. The current Bush administration initially balked at continuing these talks, but did so post-9/11 in one of the few first-term initiatives not dominated by the neoconservatives.

Carefully calibrated carrot-and-stick diplomacy established the trust and terms of reciprocity and cooperation after decades of bitter conflict. The balance was well struck between neither offering too much too soon, for too little in return, nor too little too late, for too much in return. Although reciprocity was temporarily in doubt when the talks were suspended during the 2000 presidential election season, and when the Bush administration initially was reluctant to reinstate them, the cadence was consistent, balanced, and steady. UN sanctions were suspended for the initial 1998 agreement to surrender the suspects in the Pan Am 103-Lockerbie bombing, and then permanently lifted only when the terrorism case was fully settled; British-Libyan diplomatic relations restored but only after resolution of the 1984 shooting of a British policewoman outside the Libyan diplomatic mission in London; EU sanctions lifted but only partially in response to Libyan renunciation of terrorism; a few US-Libyan confidence-building measures along the way, including the commitment to the secret talks; and then once the full WMD agreement was reached and implemented, the United States lifted its unilateral sanctions and moved toward normalization of diplomatic relations.

Another key was forging substantial multilateral support. While there were strains in the coalition, it largely held together. Having UN and not just US sanctions both strengthened the economic impact and sent a strong message of international political will. Britain also played a crucial direct role in the secret talks, providing a bridge that helped the Libyans and Americans as they built trust and got down to the give and take. France also was a part of the coalition, having had its own airliner blown up by Libyan terrorism in 1989. Saudi Arabia and Egypt played key interlocutor roles as well, which points toward the contribution that regional neighbors, often with cultural affinities, can make.

The October 2003 intelligence operation intercepting a cargo of A. Q. Khan-supplied nuclear weapons technology en route to Libya also was an important factor. There had been other instances when the ability of the United States and Britain to obtain reliable and telling intelligence on Libyan activities had been crucial—for example, when suspicion in the original Lockerbie investigation shifted from Syria and Iran to Libya, and when Britain learned of Libyan support to the Provisional IRA. The naval interdiction provided definitive proof that Libya still was pursuing nuclear weapons and left Libyan officials acutely aware of how visible their weapons activities were to the Western powers.

Most crucial was the proportionality of the strategy, limiting the objectives to a change of policy rather than regime change. There is a clear pattern of Libya seeking reassurances throughout that the terms were policy change rather than regime change. They did so in the in the 1998-1999 initial deal for surrender of the two Libyan Lockerbie suspects, seeking to confirm through UN Secretary-General Kofi Annan that the trial “will not be used to undermine the Libyan regime”; next as the British were being established as interlocutor between Libya and the United States; repeatedly throughout the direct talks in both diplomatic and intelligence channels; again in March and August 2003 on the final Lockerbie deal that the official acceptance of civil responsibility would not be used as grounds for legal action against the Libyan government; and finally as the WMD agreement was being closed. Had Libya been left to wonder whether policy concessions would be used as an opening for regime change, it is most unlikely that it would have conceded to such sweeping policy changes.

Most crucial was the proportionality of the strategy, limiting the objectives to a change of policy rather than regime change.

Force and
diplomacy can
reinforce one
another much
more than
single-minded
advocates of one
or the other
maintain.

Within Libya, political and economic factors during this period were boosting Qaddafi's own interests in cooperation rather than confrontation with the US-led West. Ray Takeyh recounts "an extraordinary dispute [that] broke out in the higher echelons of the regime" in the mid-1990s between "pragmatists" stressing the need for structural economic reform and international investment and "hard liners" wanting to continue defying the West. As Diederik Vandewalle puts it, "The pragmatism that the new technocrats have urged upon Qaddafi, concern over the economic and political toll of sanctions, and the need for international investment in the country's deteriorating oil infrastructure and in developing new oil fields slowly moved Libya to act upon Western demands."⁴

Libyan national security interests within the region were also shifting and aligning with countries once viewed as adversaries: "He [Qaddafi] was regarded by the Al Qaeda types as no better than the Saudi government," Lisa Anderson states, "no better than any of these other governments that they hate." Indeed, in 1998 Libya issued the first Interpol arrest warrant against Al Qaeda leader Osama bin Laden, accusing him of involvement in the killing of two German antiterrorism agents in Tripoli. And Qaddafi was among the first to send condolences to the United States after 9/11. The disarmament of Libya thus was less about a rogue leader's sudden change of heart than about the combination of external coercive pressures and internal transmission belts bringing Qaddafi to a point where his hold on power was better served by global engagement than global radicalism.

In sum, Libya was a case in which major policy change was possible even by a charter rogue, and in policy areas central to the rogue state status. The WMD disarmament and terrorism deal did not resolve all concerns regarding Qaddafi's foreign and domestic policies. But the strategy for dealing with them to a great extent was a continuation of the approach that had led to the shift on WMD: pressure for policy change, but not regime change, and a mix of coercive instruments as well as incentives. This eventually led in May 2006 to normalization of US-Libyan diplomatic relations.

Policy Recommendations

While Libya was the most successful case of coercive diplomacy since the Cuban missile crisis, we must bear Alex George's caveat in mind and not be beguiled. The case had unique aspects. And the overall coercive diplomacy success rate remains low. Still the Libya case is helpful in developing a strategic framework for assessing the scope and limits of coercive diplomacy in the contemporary world. These are then applied to Iran and North Korea, two key pressing cases.

Strategic Framework

Coercion and Diplomacy. In a more harmonious international future, diplomacy in the sense of Sir Harold Nicolson's classic definition as "the management of international relations by negotiation," may fully suffice for international peace, national security, and humanitarian justice. But we are not there yet and indeed are much further off than we expected amidst the immediate post-Cold War euphoria. Yet we also have seen the consequences of the Bush foreign policy and its belief that the exertion of American power alone could induce the compliant behavior we sought in others. We thus need to continue to seek how best to strike the balance between force and diplomacy given both the threats and opportunities of the contemporary era.

Force and diplomacy can reinforce one another much more than single-minded advocates of one or the other maintain. The world is such that a credible capacity to act coercively, including but not only through military force, often is crucial. Think Darfur, not

just Iraq; genocide prevention, not just WMD and terrorism.⁵ For all the diplomacy that has been tried, all the UN Security Council resolutions passed, the Sudanese government has not felt it faces any credible coercive consequences—not robust peace enforcement, not substantial sanctions. Coercive diplomacy could strike the balance needed.

Within this balance of coercion and diplomacy, often not enough care is taken to establish the credibility of the threat of coercion. The essence here is the combination of will and capabilities: that you would take action if necessary—whether that action is military force, sanctions, and/or some other coercive measure—and that your coercion can actually achieve the objectives stated or at least inflict substantial costs and punishment. This is an inherent problem for any threat or use of force that is limited, which coercive diplomacy by definition is. If a threat is made but not carried through, there may be consequences not just for the case at hand, but for one's general credibility.

This is all the more reason why deft diplomacy, as the full story of the Libya case shows, is so crucial. Carrots and sticks must be combined consistent with the conception of reciprocity as neither offering too little too late or for too much in return, nor too much too soon or for too little in return. To sail between this Scylla and Charybdis requires great skill and craft. Both the incentives and disincentives must be of a type and scope to lay a strong basis for cooperation and concessions. This gets into tactics and processes as well as content of packages. When should secret talks be undertaken? They were a key part of the success in the Libya case, as well as in other cases outside of coercive diplomacy such as the 1993 Israeli-Palestinian Oslo peace process. What role for third-party intermediaries? In cases like Libya, in which the parties have deep antagonisms and mistrust, third-party intermediaries are especially important in the early phases of diplomacy as validators, reassurers, and channels for contact. Whomever these third parties are—other governments, prominent figures, NGOs—they must be trusted by both sides.

We need to think about force and diplomacy not strictly dichotomously and not even necessarily sequentially: force “and” diplomacy, not just force “or” diplomacy. While the balance most often leans heavily to the diplomacy side of the pairing, the backdrop of credible threats can be crucial for making diplomacy more effective. We are used to intensive examinations of military strategy and analyses of what makes them more or less effective. We need to do this more with diplomatic strategies to both hold them to analytic standards that critique ineffective strategies and give effective ones their due.

Policy Change, Not Regime Change. That policy change is possible without regime change is a crucial point. But the point is even stronger: pursuing regime change can be counterproductive to actually achieving policy change. The situations in which rhetorical calls for regime change and across-the-bow shows of force and other demonstrative actions have utility for coercive diplomacy are more the exception than the rule. If there still are doubts about the costs and risks associated with a sole focus on regime change—see Iraq. Alternatively, the Libya case shows what can be achieved when regime change is taken off the table. The Libyans sought firm and repeated reassurances that concessions on terrorism and WMD would not be the thin end of the wedge leading to further pressure for regime change. The willingness of the United States and Britain to give such policy-not-regime-change reassurances through the secret talks and other channels were absolutely crucial to the progress that was made. This runs counter to the view that keeping regime change “on the table” as an option enhances leverage and coercive pressure. Rather it can, quite to the contrary, harden positions and obstruct any possibility of an agreement.

...pursuing regime change can be counterproductive to actually achieving policy change.

**The target state
must see that it
cannot split the
international
coalition.**

It is important to note that such bargaining over strategic security issues does not preclude support for human rights and democratization. Pressures on Libya have continued, including from Western Europe and human rights NGOs. It does mean, though, taking regime change off the table.

Sanctions Re-Revisionism. Economic sanctions can be an effective part of coercive diplomacy strategy when imposed multilaterally and sustained over time. The undifferentiated debate over whether sanctions do or do not work needs to be more focused on establishing the conditions under which they are most likely to be effective.

These include working through the “vulnerability-viability” paradox that globalization has accentuated. On the one hand, integration into the global economy has heightened target state vulnerability including through the domestic transmission belt pressures of groups whose economic interests are threatened by sanctions. On the other hand, the spread of technology and production to so many more alternative trade partners, the potential unintended humanitarian consequences for the target state populace, and the domestic constraints within coercer states from those with a stake in uninterrupted commerce all make the viability of sanctions more problematic. “Smart sanctions” aimed at key sectors and individuals, are one effort to try to hit vulnerabilities and make for viability. Like “smart weapons,” though, these do not always target as well as advertised.

Lag time also needs to be taken into account. As of the mid-to-late 1990s, the Libyan case looked like sanctions were not leveraging much change in Libyan policy. In the end, though, sanctions were a key part of the coercive pressure bringing about policy change. The problem here is that sanctions often aren’t adopted until well into a crisis, and then with an expectation of quick results.

No Wedges Multilateral Strategy. Coercive diplomacy always has worked better when it has had multilateral support. This is especially true in today’s world. As with economic sanctions, political support and legitimacy matter more than ever before, and in tangible ways for coercive capacity. The target state must see that it cannot split the international coalition. To the extent that it cannot, credibility is enhanced even more. The United States or other lead states at times may need to push others for a firm policy, but not so much as to split the coalition.

UN Security Council action is the gold standard of multilateralism. It can provide the most encompassing basis for economic sanctions and the most legitimizing political stamp. But while preferred, this should not be the exclusive path. Regional organizations also can provide a strong basis for action. And we cannot let the Iraq case taint the option of ad hoc coalitions to the point of ruling them out where they may be more appropriate.

Know Thy Target. While general strategy guidelines have their value, any particular policy must be molded to suit the case at hand. We can develop conditional generalizations about applicable lessons transferable from case x to similar case y , so long as we also take into account crucial unique aspects of each case. The dynamics of coercive diplomacy are driven to a great extent by the interaction of external pressures and incentives with the target state’s domestic politics and economics.

This is not a strict function of regime type. Dictatorships have their own politics. Their leaders have real concerns and make continuous calculations about how to stay in power. The key issue is whether key domestic actors and forces are arrayed as transmission belts

for or circuit breakers against the external pressure. While these are not fully knowable, high-quality country analysis—through intelligence but also through nonclassified specialist knowledge of history and politics—can help a great deal. This is one argument, among many, for the US government to build stronger regional and area expertise.

Key Current Cases: Iran and North Korea

Applying this analysis to North Korea and Iran both helps highlight the problems and provides some parameters for potentially more effective policies. The WMD threat in both cases is more fully materialized than Libya's (or Iraq's). North Korea already has nuclear weapons as confirmed by its early October nuclear test. While there is some intelligence uncertainty about Iran, it is known that the programs are more advanced than presumed before the 2002 revelations of their NPT violations and the IAEA inspections that ensued.

In both cases, the Bush administration's policies in the first term lacked the balanced approach used in the Libya case. The inclusion of both North Korea and Iran in the "axis of evil" formulation along with Iraq reinforced the specter of regime change. Even allowing for some discounting of the statement as a rhetorical flourish, there was ample basis from history, the Bush doctrine, and, ultimately, the invasion of Iraq for the leadership of both countries to perceive the threat as real. US security assurances that the goal is policy change not regime change thus are absolutely essential, and as an up-front negotiating position not as a later possible product.

The joint principles agreed to with North Korea in September 2005 in the six-party talks (United States, North Korea, China, Russia, Japan, South Korea) first raised hopes and then quickly tamped them down. The statements that the United States "has no intention to attack or invade the DPRK [Democratic People's Republic of Korea]" and that "the DPRK and the United States undertook to respect each other's sovereignty, exist peacefully together, and take steps to normalize their relations subject to their respective bilateral policies" seemed like steps toward focusing on policy change not regime change. The agreement also stressed reciprocity by calling for a process of going forward "commitment for commitment, action for action." But the disputes that broke out within days over quite varying interpretations raised doubts as to whether differences were being bridged or papered over. The six-party talks broke down in January. In July North Korea conducted a series of missile tests. Then came its first actual nuclear weapons test in October.

Coercive diplomacy was ratcheted up. Condemnations came not only from the United States but in stronger than usual terms from China and others. The UN Security Council imposed economic sanctions targeting conventional arms and nuclear weapons-related trade, tightened enforcement, included sanctions on luxury goods and financial assets targeted at the leadership and elites, and threatened additional sanctions and other measures. China, the key linchpin economically, reportedly applied some sanctions to energy supplies and financial relationships. The incentives of expanded aid and trade also remain on the table. The strategy seemed to be having some effect when on October 31 North Korea announced that it would return to the six-party talks. These talks were about to resume as we went to press.

Given these and other uncertainties, it is prudent for the Bush administration to keep some military options open. But they need to be ones that could actually be effective; e.g., strengthening security commitments through declaratory policy, arms sales, and force deployments for allied and friendly states potentially threatened by a nuclear North Korea. "Taking out" North Korean nuclear capacity rings boldly as rhetoric but has real problems

**"Taking out"
North Korean
nuclear capacity
rings boldly as
rhetoric but has
real problems as
military strategy....**

as military strategy given the dispersal and bunkering of many of the nuclear facilities and obvious counterstrategies like North Korean retaliatory attacks on the demilitarized zone and Seoul. As with Libya, credible force can be helpful, but deft diplomacy is the key.

It may well be that there is no strategy, coercive diplomacy, or otherwise that can depopulate North Korea. The dominant view of North Korea's domestic politics holds little room for elites or other groups acting as transmission belts. The mix of reports, expert views, and anecdotes about rumblings around the "Dear Leader" provide some basis for questioning how unalterably this still holds. Our assessments of internal politics have been wrong before—we may not really know until after the fact, whether that fact is escalation or crisis resolution. What is clear is that whatever chances there are of avoiding escalation and resolving the crisis are enhanced by a coercive diplomacy strategy that balances proportionality, reciprocity, and coercive credibility.

On Iran, the principal direct negotiations have been led since 2003 by the EU-3 (France, Germany, and the United Kingdom).⁶ Their approach has been a mix of carrots and sticks, including various economic and diplomatic sanctions on the one hand and combined with such incentives as negotiations on EU-Iran trade agreements, entry of Iran into the WTO, sale of light water reactors and guarantees of a long-term supply of nuclear fuel, and the possibility of eventually allowing Iran to resume enrichment if it complies with all IAEA requirements and can prove purely peaceful purposes of its nuclear program.

In May 2006 the Bush administration did shift policy toward being more open to a negotiated settlement. But the shift has yet to take the most crucial step to policy change, not regime change. It doesn't require sympathizing with the Ahmadinejad regime to acknowledge the validity of Iranian concerns about US regime change. Even Iranians who oppose the current regime can point to the historical resonance of the US role in the 1953 overthrow of the Mossadeq government and reinstallation of the shah, as well as the US role in the shah's repression and failed rule. As long as regime change is left on the table, the Ahmadinejad regime gains both basis and pretense for resisting on the grounds of basic national pride—and Iranians who support improved relations are that much more vulnerable to domestic intimidation and worse. The United States does not have to forswear all advocacy and support for Iranian human rights and democracy movements, but unless it commits not to use force or covert action to seek to undermine or overthrow the Iranian regime, progress on nuclear weapons and other key policy issues will be very difficult if not impossible.

Security assurances must be part of direct US-Iranian bilateral talks. These can be held within the EU-3 umbrella; they can be secret or public; but they must be pursued.

On July 31 the UN Security Council approved Resolution 1696 increasing pressure on Iran to comply with the NPT and cooperate with the IAEA, threatening to impose economic sanctions and possibly "additional measures" if Iran does not comply. Even though Iran did not comply, the original August 31 deadline passed with no action. Negotiations have continued through the main EU-3 channel as well as others, including some reports of backchannels. The North Korea case has played in more than ever since its nuclear test, although unsurprisingly being used by both sides to buttress their respective arguments for and against sanctions and related measures. The multilateral politics have been mixed. On the one hand, Iran has been frustrated by its inability to split the United States and Europe, by the firmed-up role of the IAEA and by the dissent but not defect

...there are issues here for those who support a strong rules-based order....

positions of Russia and China. On the other hand, the tensions among P-5 members and other states important to a multilateral coalition, while most explicitly about tactics, seem to indicate differences over strategic objectives. Here, too, as we go to press the issue is very much in flux.

While the threat of military force doesn't have to be explicitly renounced, as with North Korea, its limits do need to be recognized. Regional commitments to allied and friendly states potentially threatened by a nuclear Iran can be buttressed, although even these risk tit-for-tat escalation as occurred recently when US-led naval maneuvers in the Persian Gulf involving more than two dozen countries under the auspices of the Proliferation Security Initiative were countered by Iranian war games including test firing of missiles. What is especially counterproductive are the regime change and other interventionist military threats that top Bush administration officials have been wont to bluster about. Iranian counterstrategies, particularly terrorism through its own networks or by others in solidarity, need to be weighed seriously. Moreover, in the wake of the multilateral controversies over Iraq, there is very little chance of international support for any unilateral American use of force against Iran.

It is possible that with Ahmadinejad as president and state coffers flush in oil revenues, domestic political and economic factors are so un conducive that no coercive diplomacy strategy would work. Nevertheless Iran's potential vulnerability is not to be written off. High unemployment and middle-class discontent persist and are the kind of economic pressures that can turn into political instability. The Ahmadinejad regime may find, as so many other populist regimes have, that the fervor of its appeal wanes over time absent tangible improvements in the quality of life.

In this and other ways, potential transmission belts are there. Any military attack, though, would surely set off a rallying effect around both the regime and a nuclear weapons program; i.e., activate all those circuit breakers. Even parts of the population not supportive of Ahmadinejad would either be pushed into support by an attack on their homeland or would feel compelled to come over for fear of being accused of being anti-Iranian.

In announcing the restoration of US-Libyan diplomatic relations, Secretary of State Condoleezza Rice called Libya "an important model." In effect, Secretary Rice asked why won't you, Iran and North Korea, do like Libya did? The answer lies in part within their own leaderships. But US policies have failed to offer Iran and North Korea the combination of carrots and sticks, especially the security reassurances of policy change not regime change, that made a deal palatable to Libya. A coercive diplomacy strategy that draws on the Libya success as well as the more general strategic framework could lead to favorable outcomes in these cases as well.

Along with this critique of the Bush policy, there are issues here for those who support a strong rules-based order and other aspects of multilateralism. If the lesson of North Korea's nuclear test and Iran's nuclear posture is that a determined country can blatantly defy the international community and its norms, what do *rules* and *order* mean? This will be tangible and specific in further weakening the NPT and regime. It also likely will be another reference point in our own American political debates in which the effectiveness of international institutions and multilateral strategies remain in doubt. ■

End Notes

¹ Alexander L. George and William E. Simons (eds.), *The Limits of Coercive Diplomacy*, 2nd ed. (Boulder, Col.: Westview, 1994), p. 9.

² This Policy Analysis Brief draws heavily on the author's article with Christopher A. Whytock, "Who 'Won' Libya?: The Force-Diplomacy Debate and Its Implications for Theory and Policy," *International Security*, Vol. 30, No. 3 (winter 2005-06).

³ George and Simons, *Coercive Diplomacy*, p. 10

⁴ Diederik Vandewalle, "The Origins and Parameters of Libya's Recent Actions," *Arab Reform Bulletin*, Carnegie Endowment for International Peace, Vol. 2, No. 3 (March 2004).

⁵ Bruce W. Jentleson, " 'Yet Again': Humanitarian Intervention and the Challenges of Never Again," in Chester A. Crocker, Fen Osler Hampson and Pamela Aall, *Leashing the Dogs of War: Conflict Management in a Divided World* (Washington, DC: US Institute of Peace Press, forthcoming).

⁶ See also Jentleson, "Sanctions Against Iran: Key Issues," for the Century Foundation (forthcoming).

The Stanley Foundation

The Stanley Foundation brings fresh voices and original ideas to debates on global and regional problems. It is a nonpartisan, private operating foundation that focuses primarily on peace and security issues and advocates principled multilateralism. The foundation's concept of principled multilateralism means working respectfully across differences to create fair, just, and lasting solutions.

The Stanley Foundation's work recognizes the essential roles of the policy community, media professionals, and the involved public in building sustainable peace. Its work aims to connect people from different backgrounds, often producing clarifying insights and innovative solutions.

The foundation frequently works collaboratively with other organizations. It does not make grants.

Stanley Foundation reports, publications, programs, and a wealth of other information are available on the Web at www.stanleyfoundation.org.

The Stanley Foundation
209 Iowa Avenue
Muscatine, IA 52761 USA
563-264-1500
563-264-0864 fax
info@stanleyfoundation.org

The Stanley Foundation encourages use of this publication for educational purposes. Any part of the material may be duplicated with proper acknowledgment. View this publication online at <http://reports.stanleyfoundation.org>.

Production: Amy Bakke and Margo Schneider

The Stanley Foundation
209 Iowa Avenue
Muscatine, IA 52761 USA

Address Service Requested

Nonprofit Org.
US POSTAGE
PAID
Cedar Rapids, IA
Permit 174



Printed on recycled paper
12/06 2.1K