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Prospects for European and U.S. Policy toward Iran

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Transatlantic Policy Implications of the 2020 U.S. Election

Summary

President Donald Trump's views on Iran have centered on dismantling the landmark nuclear deal known as the Joint Comprehensive Plan of Action (JCPOA), which was agreed in 2015. He made it clear early on that he believed he could negotiate a better deal with Iran that would not compromise the interests of the United States as much and that would also address far more issues of concern to its partners in the Middle East. However, to date the Trump administration has not come any closer to achieving this goal. Instead, the United States and Iran have come close to war.

Although European countries share objectives on Iran with the United States—for instance, limiting Iran's ballistic-missile activities and seeking its return to compliance with its nuclear commitments under the JCPOA—they disagree strongly with President Trump's approach to achieving these. His approach has made Washington the proverbial bull in a china shop for U.S. allies in Europe, forcing them to put on hold long-desired objectives such as expanding economic ties with Iran and bringing it closer into a community of responsible stakeholders.

Therefore, the result of the U.S. presidential election will have a significant impact on Europe's relations with the United States when it comes to dealing with Iran.

There are several ways in which a Trump reelection could affect Europe's calculations. A second Trump administration that maintains a hard-line policy toward Iran would lead Europe to double down on encouraging Iran to negotiate by offering incentives as a demonstration of its good faith to Washington. Alternatively, no longer having to think about his reelection, Trump may pursue a less hard-line approach to secure negotiations, thus solidifying his presidential legacy. Germany and France in particular might seek additional leverage to temper and perhaps even counter Trump's hard-line Iran policy to limit what

they view as the damage caused by his administration. For its part, the United Kingdom may align more with the United States, causing a rupture in European unity. However, a "hybrid" scenario is most likely, in which Europe would continue its attempts to be perceived as independent while seeking a greater role in leading a quiet international effort to get Iran back in compliance with the JCPOA and at the negotiating table.

If Joe Biden becomes president, he would return the United States to the JCPOA if Iran returned to compliance—which Europe also wants—while trying to negotiate additional commitments from Tehran on other areas of concern, such as missile testing and U.S. hostages. If this plan is complicated by the Trump administration's pursuit of a unilateral sanctions snapback before it leaves office, however, a Biden administration may find itself facing a scenario in which there is no JCPOA to rejoin. This could be further complicated by a withdrawal by Iran from the Nuclear Nonproliferation Treaty, which it has threatened to do.

Even if there is a change in U.S. administration, European countries would still have to overcome differences among themselves on many aspects of Iran policy. A post-Brexit Europe may see the United Kingdom more aligned with U.S. objectives than European ones and acting more as an occasional "+1" to a remaining E2 of France and Germany. European countries also disagree on how to approach Iran's malign activities, such as terrorism—with Germany having outlawed all of Hezbollah's activities while the United Kingdom, France, and other European countries distinguish between the organization's ostensibly political arm and its militant wing. These intra-European divisions, despite the European Union trying to establish a united front, make it easier for Iran's propaganda efforts to sow division among European countries and in the transatlantic relationship.

Introduction

As Americans prepare to vote in their presidential election, decision-makers in European capitals seek to formulate their approach toward the United States and, specifically, its Iran policy. President Trump and his Democratic challenger, former vice president Joe Biden, have fundamentally different views of the role the United States should play in the world, international law and institutions, the transatlantic relationship, and Iran policy. This paper seeks to shed light on what can be expected from Washington's approach to the transatlantic relationship and the impact of its Iran policy on U.S.-European relations should President Trump be reelected or lose to Biden.

The paper begins by assessing the Trump administration's Iran policy before briefly examining the status of the transatlantic relationship. Next, it considers U.S. and European views of the Iran issue and where the two sides' objectives and priorities align, before discussing what the two possible outcomes in the election entail for U.S.-European relations. It analyzes the potential European response to the two scenarios and the approach by the United States, the EU, and key member states toward Iran. Finally, the paper offers recommendations for areas of cooperation regardless of who wins the U.S. presidency.

The Trump Administration's Iran Policy

On the campaign trail, one of Donald Trump's clear foreign policy pledges was to withdraw the United States from what he called "one of the great dumb deals of our time": the 2015 Joint Comprehensive Plan of Action (JCPOA) with Iran.¹ In May 2018, President Trump announced he was doing just that. After withdrawing from the arrangement, his administration began to reimpose sanctions on Iran.² Soon after, the contours of its Iran policy emerged: a "maximum pressure" campaign that has relied on heavy, mostly

unilateral U.S. sanctions designed to lead Iran to alter its national security and foreign policies.

According to Secretary of State Mike Pompeo, the objective of the campaign is to change Iran's behavior in four areas. Iran should end key elements of its nuclear program, including uranium enrichment; stop its missile activities; terminate regional interventions; and cease supporting terrorist groups.³ Some have speculated that the true intent of the administration is to bring about regime change—a view seemingly supported by the remarks of some officials, including Pompeo's predecessor, Rex Tillerson.⁴ However, President Trump has often noted that he does not seek regime change but rather hopes to bring Iran back to the negotiating table to strike a deal on contentious issues—as he has put it—focused on preventing it from acquiring nuclear weapons.⁵ In recent months, internal deliberations and bargaining, coupled with external factors, may have led to an evolution in the administration's thinking as Pompeo's demands have been less prominently featured in its discourse.

The administration's Iran policy thus far can be divided in three phases, each largely shaped by key administration personalities and external factors.

In the first phase, policy was influenced by senior officials whose strategic priorities centered on China, Russia, and North Korea, and who were not opposed to the JCPOA. Defense Secretary Jim Mattis, Secretary of State Tillerson, and National Security Advisor H.R. McMaster acknowledged that Iran's malign influence contributed to regional instability but viewed the JCPOA as having a stabilizing effect and prevented it from obtaining a nuclear-weapon capability.⁶ However,

1 Nora Kelly Lee, "[Where the 2016 Candidates Stand on the Iran Nuclear Deal](#)," *The Atlantic*, September 2015.

2 The White House, "[Remarks by President Trump on the Joint Comprehensive Plan of Action](#)," May 8, 2018.

3 The Heritage Foundation, "[After the Deal: A New Iran Strategy](#)," May 2018.

4 The Iran Primer, "[Zarif, Khamenei Lash Back at Tillerson](#)," United States Institute of Peace, June 2017.

5 Michael Kranish, "[Trump says he is not seeking 'regime change' in Iran](#)," *The Washington Post*, May 27, 2019.

6 Mark Landler, David E. Sanger, and Gardiner Harris, "[Rewrite Iran Deal? Europeans Offer a Different Solution: A New Chapter](#)," *The New York Times*, February 26, 2018.

this phase was short-lived as Tillerson and McMaster were dismissed by Trump in March 2018.

In the second phase, “counter-Iran reactionaries” largely assumed control over policy. National Security Advisor John Bolton and Secretary of State Mike Pompeo had previously expressed their support for regime change in Iran.⁷ Although they publicly touted the president’s line that the United States was not seeking regime change, their messaging emphasized that they were in fact seeking a change in the regime’s behavior. In May 2018, a few weeks after Bolton and Pompeo assumed their positions, the president announced that the United States would formally cease participation in the JCPOA. This gave rise to the diplomatic and economic “maximum pressure” campaign, and Pompeo’s approach became official policy.

To date, the Trump administration’s Iran policy has produced mixed results.

Defense Secretary Mattis, who always viewed countering Russia and China as the top priority, as reflected in the administration’s National Security Strategy and National Defense Strategy, was outnumbered by the counter-Iran reactionaries until his departure in December 2018. Bolton brought ideologically aligned aides to serve in critical positions within the National Security Council (NSC) to help ensure the bureaucracy followed through on his efforts to drive Iran policy. This eventually caused friction with Pompeo, who instructed his aides to cease consulting with Bolton’s NSC on Iran.⁸

The third, ongoing, phase has seen Iran policy being almost completely centralized under Pompeo and outside of the NSC’s influence, which has considerably weakened after Bolton was replaced as national

security advisor by Robert O’Brien in September 2019. It is also characterized by the replacement of Brian Hook as Special Representative for Iran, who focused on simply executing Pompeo’s Iran policy, by Elliott Abrams, a neoconservative hardliner on Iran with deep experience maneuvering through the Washington bureaucracy.⁹ This phase is likely to continue into a second Trump administration, with Iran hawks—led by Pompeo and Abrams, at least for an initial period—seeking to solidify some of the results of maximum pressure.

To date, the Trump administration’s Iran policy has produced mixed results. In terms of its direct impact on Iran’s behavior, the maximum pressure campaign has produced largely tactical successes and virtually no strategic gains. It may have helped curb some of Iran’s activities in the region. It has been reported that Iran has started to draw back some of its forces from key theaters such as Syria and Iraq.¹⁰ If true, this could be tied to operational exigencies, the coronavirus pandemic, or domestic dynamics, and not just to the maximum pressure campaign. Similarly, whether the Islamic Revolutionary Guards Corps-Quds Force operations may have suffered in Iraq after the U.S. killing of its head, Qassim Soleimani, remains to be seen—though it is clear that the different style of Esmail Qaani, his successor, has impacted how the force operates.¹¹ Iran has fewer financial resources to devote to its proxy strategy today—though the Trump administration has provided conflicting assessments of its terrorist threat, at times claiming it has increased its support for terrorism.¹² As administration officials have often put it, a chief concern for President Trump has been to deny Tehran the financial means to continue supporting non-state partners and allies

7 Zack Beauchamp, “[John Bolton and Mike Pompeo are the hawks behind Trump’s Iran Policy](#),” Vox, June 21, 2019.

8 Karen DeYoung, Josh Dawsey, and John Hudson, “[John Bolton’s turbulent tenure comes to a Trumpian end](#),” The Washington Post, September 11, 2019.

9 Elliott Abrams, “[Iran Got a Far Better Deal Than It Had Any Right to Expect](#),” National Review, July 2015.

10 Judah Ari Gross, “[Defense Officials: Iran pulling out of Syria as Israel pummels its forces there](#),” The Times of Israel, May 5, 2020.

11 Alissa J. Rubin and Farnaz Fassih, “[Iran Quietly Lowers the Temperature With U.S.](#),” The New York Times, May 19, 2020.

12 BBC, “[Six charts that show how hard US sanctions have hit Iran](#),” December 9, 2019.

in the region. However, it remains difficult to assess whether this decline in financial support will translate into a strategic shift.

The administration's Iran policy has led to counterproductive outcomes too. In May 2019, Iran announced it would peel back the restrictions imposed by the JCPOA on its nuclear program in a calculated and calibrated manner.¹³ By January 2020, when it announced the fifth and final step in its plan, Iran had stopped complying with the limits imposed on its low enriched uranium and heavy-water stockpiles, restarted certain research and development activities, and resumed uranium enrichment at the underground Fordow facility, which had previously been converted into a research and development center under the terms of the JCPOA.¹⁴ Iran's missile activities have continued on the same trajectory as before.

U.S.-Iranian relations have also heated up and the two countries came to the brink of a direct military exchange on several occasions. In Afghanistan, Iran reportedly placed bounties on U.S. and NATO forces, leading to at least six Taliban attacks in 2019.¹⁵ Several cyber and proxy attacks targeted U.S. interests, personnel, assets, and partners throughout the second half of 2019 and in 2020. In January, in retaliation for Soleimani's killing, Iranian missiles targeted two bases housing U.S. troops in Iraq, resulting in more than a hundred service members reporting brain injuries.¹⁶ (This was the first time since World War II that a state attacked U.S. interests on land with short-range ballistic missiles.) The U.S.-led international coalition against Islamic State—to which several European

countries have contributed—has seen its operations disrupted by these tensions.¹⁷ And, although it has not started a new war there, the United States has had to deploy more forces and assets to the Middle East.

European-U.S. Disagreement

The United States' Iran policy has often been a cause and an example of the transatlantic rift. President Trump views the U.S. relationship with Europe through a strictly transactional lens. He considers Europe's priorities as misaligned with his "America First" foreign policy—a perspective that may have accelerated the EU's plans to begin crafting a foreign policy more independent from the United States. Like many of his predecessors and much of the French foreign policy establishment, France's President Emmanuel Macron is a strong advocate for a foreign policy that is less reliant on Washington.¹⁸ European countries increasingly question U.S. commitment to their security priorities, not least after the Trump administration's announcements over the past year about troop drawdowns in the Sahel, Iraq, and Syria—important battle zones in which some of them have shed blood—supports Europe's perception of a less trustworthy U.S. partnership. With Iran, however, the transatlantic relationship is not as clear-cut, with both sides agreeing on some issues even as they vehemently disagree on others.

President Trump refused to preserve or expand the JCPOA as urged by his European counterparts, particularly Macron and Germany's Chancellor Angela Merkel. Instead, his administration took a more unilateral approach without consulting the European parties to the JCPOA: France, Germany, the United Kingdom (known collectively at the E3) and the EU. In the process, the administration's overuse of sanctions

13 Eric Brewer and Ariane Tabatabai, "[Understanding Iran's Nuclear Escalation Strategy](#)," War on the Rocks, December 2019; Fars News, "Film-e kamel-e sokhanan-e Rouhani dar salrooz-e khoruj-e America az BARJAM, an rooy-e sekeh," May 2019.

14 Press TV, "[Iran announces decision to take fifth step to scale back JCPOA commitments](#)," January 5, 2020.

15 Zachary Cohen, "[US intelligence indicates Iran paid bounties to Taliban for targeting American troops in Afghanistan](#)," CNN, August 17, 2020.

16 Nasser Karimi, Amir Vahdat, and Jon Gambrell, "[Iran strikes back at US with missile attack at bases in Iraq](#)," The Associated Press, January 7, 2020.

17 Thomas Gibbons-Neff and Eric Schmitt, "[U.S.-Led Coalition Halts ISIS Fight as It Steels for Iranian Attacks](#)," The New York Times, January 5, 2020.

18 Martin Quencez, Julie Smith, and Ulrich Speck, "[What Will Macron's Words Mean for the Transatlantic Alliance?](#)" The German Marshall Fund of the United States, November 8, 2019.

and attempts to force European countries' hand in complying with them led them to become more skeptical of U.S. intentions and of the use of sanctions—possibly damaging its use as a tool of U.S. power for the foreseeable future.¹⁹ In turn, Iran has exploited this rift and sought to widen the gulf between the United States and its European allies and regional partners. In the case of European efforts to tackle the challenges posed by Iran, this divide has led to near paralysis as European countries seek to balance their interests and different exigencies: managing Trump, preserving the JCPOA, and avoiding further escalation between the United States and Iran. In some cases, the United Kingdom finds itself closely aligned with the United States while France and Germany explore an incentives-driven approach.

Throughout Trump's presidency, European countries have tried to stop or at least slow the JCPOA's derailment. From their perspective, even on life support, the agreement would mitigate the Iranian nuclear threat and provide the foundations upon which they could engage the regime on other issues. For them, perhaps more so than for the United States, the original intent of the JCPOA was to address the international community's chief concern—the nuclear threat posed by Iran—and use it to tackle the regime's regional and missile activities, as well as human-rights abuses. European countries have also labored to save the deal partly in the hope that a Democratic administration would rejoin and build on it.

Trump's election and subsequent announcement in October 2017 that he would not recertify Iran's compliance with the JCPOA—a symbolic congressional requirement—spurred European capitals to explore ways to keep the deal alive.²⁰ The decision not to recertify demonstrated the seriousness of Trump's animosity toward the agreement. The administration's efforts to torpedo the JCPOA throughout 2018

prompted European countries to work even faster to address U.S. concerns over Iran's ballistic missile and regional activities while assuring their Iranian counterparts that sanctions relief would continue. From January to May 2018, the E3 tried to find a middle ground with Washington on a way forward by placing further restrictions on Iran's missile and nuclear activities. The E3 appeared close to supporting further steps to constrain any Iranian attempt to develop an intercontinental ballistic missile (ICBM)—one of Trump's key policy objectives.²¹ However, amid ongoing discussions, the rug was pulled from under the E3's feet when the president announced the United States would withdraw from the JCPOA.

Throughout Trump's presidency, European countries have tried to stop or at least slow the JCPOA's derailment.

Today, Europe's problem with President Trump's Iran policy is less about objective—both sides are opposed to Iran's nuclear threats and missile proliferation, for example—and more about Washington's approach. While European countries are also troubled by Iran's weapons proliferation, particularly those that have fueled the conflicts in Syria and Yemen, they do not support what they view as uncompromising U.S. attempts to extend the UN arms embargo on the country, especially through the snapback of UN sanctions.²² The recent UN Security Council vote on this matter demonstrated Europe's concerns with the U.S. approach, with the E3 abstaining from voting in favor of a U.S. resolution that would have indefinitely extended the embargo.²³ The EU's foreign policy chief,

19 Mark Landler, "[Trump Abandons Iran Nuclear Deal He Long Scorned](#)," The New York Times, May 8, 2018.

20 The White House, "[Remarks by President Trump on Iran Strategy](#)," October 13, 2017.

21 Bourse & Bazaar, "[Iran Cannot Avoid 'Expanded Talks' on Nuclear Issue: France](#)," August 30, 2018.

22 Ministère de L'Europe et des Affaires Étrangères, "[Statement by the Foreign Ministers of France, Germany, and the United Kingdom](#)," June 19, 2020.

23 Pamela Falk, "[U.N. Security Council votes not to extend arms embargo against Iran](#)," CBS News, August 14, 2020.

Josep Borrell, had already indicated in June that the United States' withdrawal from JCPOA precluded it from offering an extension of the embargo.²⁴ As European thinking goes, allowing a U.S.-proposed fundamental alteration to a resolution that the Security Council unanimously passed in 2015 would amount to yet another nail in the agreement's coffin.

From Europe's perspective, Iran's export of weapons needs to be addressed, especially as Iran-backed militias use these against the United States and partners.

The European parties to the JCPOA shared the Obama administration's thinking that Iran does not pose a significant and direct conventional military threat to the United States or Europe—with the exception of its regional ballistic missile capabilities whose ranges technically include southeastern Europe—and that the need to mitigate its nuclear threat is more urgent and critical. Moreover, from Europe's perspective, Iran's export of conventional weapons is the main challenge that needs to be addressed, especially as non-state entities such as Hezbollah, the Houthis, and Iran-backed militias in Iraq use these weapons against the United States and its partners. As Obama administration officials have argued, the most effective way to achieve this is by using and strengthening existing mechanisms—the Proliferation Security Initiative, the Missile Technology Control Regime, or the EU's own arms embargo—rather than pursuing a snapback of UN sanctions on Iran.

Another issue highlighting how U.S. actions have worked at cross-purposes with Europe's ability to safeguard the JCPOA is foreign cooperation with Iran on civil nuclear projects. In May, the State Department announced that—for the first time since the JCPOA's implementation—it would no longer issue waivers for

foreign companies to cooperate with Iran on any of its civil nuclear projects.²⁵ While Trump had lifted waivers for two civil nuclear projects last year, this ended waivers for all remaining projects.²⁶ These projects were approved under the JCPOA as critical for global non-proliferation goals. The E3 will likely press Washington to reissue the waivers not because European companies would profit—Europe has few contracts to assist Iran's civil nuclear program—but because Washington on multiple occasions during Trump's presidency has certified that these waivers benefit international non-proliferation objectives. The State Department had previously expressed that continuing to issue waivers “preserves oversight of Iran's civil nuclear program,” thereby reducing proliferation risks, limiting Iran's stockpile of enriched uranium, and preventing it from reconstituting nuclear sites for proliferation-sensitive activity.²⁷ It remains to be seen whether the United States will actually sanction European companies for assisting Iran's civil nuclear program.

Another sign of transatlantic disagreement is the E3's medical aid and financial support to help Iran combat the coronavirus pandemic. To get around U.S. sanctions, the E3 transferred the aid through INSTEX, the vehicle launched in 2019 for Europe to conduct commercial transactions with Iran. U.S. officials were reportedly only made aware of the transaction after it was completed—further demonstrating that Europe is seeking to show Iran and the international community that its approach differs from Washington's.²⁸

These episodes underscore the growing frustration with U.S. efforts to undercut the EU and member states' approach to Iran, the belief that coordination with the United States can be counterproductive to

24 Associated Press, “[EU Rejects Any US Attempt to Invoke Iran Nuclear Deal](#),” June 9, 2020.

25 U.S. Department of State, “[Keeping the world safe from Iran's nuclear program](#),” May 27, 2020.

26 AFP, “[US ends sanction waivers for Iran's Fordow nuclear plant](#),” November 19, 2019.

27 U.S. Department of State, “[Constraining Iran's Nuclear Program](#),” November 5, 2018.

28 Laurence Norman, “[EU Ramps Up Trade System With Iran Despite U.S. Threats](#),” The Wall Street Journal, March 31, 2020.

the pursuit of their own security interests, and the generally widening gap between the allies. This was especially the case as European countries were not informed of the U.S. strike against Soleimani. This was an act that nearly brought the United States and Iran to the brink of war and led key European partners—such as the United Kingdom, which has approximately 400 troops in Iraq—to question the lack of warning from their closest ally.²⁹

European-U.S. Agreement

There are areas where Europe and the United States agree, such as ensuring Iran never develops a nuclear weapon. Since July 2019, European countries have voiced their concern over Iran's nuclear activities that break key restrictions in the JCPOA. In January, the E3 issued their strongest warning to Iran yet when they referred their concerns to the Joint Commission—the JCPOA's governing body chaired by the EU and consisting of the remaining participants—triggering the agreement's dispute-resolution mechanism (DRM). This could lead to a referral to the UN Security Council if the Joint Commission fails to come to an agreement.³⁰ (Although the E3 triggered the DRM, the Joint Commission has decided to extend the consultation period indefinitely—thereby holding any further referral to the Security Council—probably to allow Iran an opportunity to reverse its nuclear activities.) The E3's move was likely designed to show Iran they were willing to undertake more serious punitive measures while signaling to the United States that they—and not Trump—would ultimately decide the fate of the JCPOA. In June, the International Atomic Energy Agency (IAEA) adopted an E3 resolution, which resulted in a rare rebuke to Iran over its nuclear activities and its failure to provide access to two previ-

ously undeclared locations, in seeming violation of Iran's Safeguards Agreement.³¹

Another area of agreement centers on Iran's ballistic missile activities, where the E3 and EU have issued statements and letters to the UN secretary general critical of such activities.³² The specter of Iranian long-range ballistic missiles striking Europe—and NATO—makes this potential threat a cornerstone of European fears about Iran. For nearly ten years now, the United States has assisted Europe with building a missile-defense system in Poland and Romania to counter long-range Iranian ballistic missiles. Although behind schedule, this represents a European commitment to its own security while also signaling agreement with Washington's view on the threat—both objectives of the Trump administration.

According to the most recent Defense Intelligence Agency report on Iran's military power, the country's development of space-launch vehicles has also troubled European capitals due to the potential for some of those capabilities to be configured for intercontinental ranges if Tehran decides to do so.³³ The E3 in cooperation with the United States—and, in some instances, independently—expressed its concerns over Iran's space-launch activity to the UN Security Council. Iran will likely face an uphill battle to re-program a space-launch vehicle to reach ICBM ranges. However, Europe's alignment with Washington on this issue was an easy cooperative achievement for both sides while they continue to navigate more controversial topics, such as U.S. sanctions and countering Iran's regional influence.

After the U.S. Election

President Trump and former vice president Biden have fundamentally different approaches to foreign policy, including toward transatlantic relations and Iran.

29 BBC News, "[Qasem Soleimani: Boris Johnson not told about US air-strike](#)," January 3, 2020.

30 UK 10 Downing Street, "[E3 foreign ministers' statement on the JCPOA](#)," January 14, 2020.

31 International Atomic Energy Agency, "[NPT safeguards agreement with the Islamic Republic of Iran](#)," June 19, 2020.

32 Reuters, "[EU concerned by Iran missile work, regional security role](#)," February 4, 2019.

33 Defense Intelligence Agency, "[Iran Military Power](#)," 2019.

Trump is highly skeptical of alliances. He often claims allies have long taken advantage of U.S. largesse and failed to pay their fair share toward their own security.³⁴ More than any president in recent history, he sees key components of the U.S. security architecture through the prism of economic transactions.³⁵ If he is reelected the United States is likely to continue to clash with key European allies. As the Iranian challenge remains unsolved, Iran policy is likely to remain at the forefront of these tensions. But, while opposition to the JCPOA has been one of the few constant features of his foreign policy, without having to consider reelection anymore, Trump could also decide to dial down pressure on Tehran, such as by seeking negotiations without conditions, contradicting the maximum pressure policy and redoubling efforts to obtain a deal to seal his legacy.

Iran policy is likely to be at the forefront of a Biden administration's efforts to repair the transatlantic alliance.

Democrats, including Biden and his top aides, have long objected to the Trump administration's unilateralism.³⁶ For them, "America first" is in fact "America alone." Biden has vowed that he would prioritize rehabilitating the United States' image in the world, reasserting its leadership, and restoring alliances. Iran policy is likely to be at the forefront of a Biden administration's efforts to repair the transatlantic alliance. Earlier this month, regarding Iran policy, Biden wrote that Trump has "ignored our closest allies and walked away—alone" on the JCPOA. He characterized Trump's Iran policy as "reducing transatlantic rela-

tions to their lowest points in decades."³⁷ Biden also wrote previously that

the alliance transcends dollars and cents; the United States' commitment is sacred, not transactional. NATO is at the very heart of the United States' national security, and it is the bulwark of liberal democratic ideal—an alliance of values, which makes it far more durable, reliable, and powerful partnerships built by coercion of cash.³⁸

A Biden Iran policy would be determined by the situation he inherits—which may deteriorate even further between now and next January—including the status of the country's nuclear program and the intensity of U.S.-Iranian tensions. However, the contours of his policy are clear. Biden has vowed to re-join the JCPOA if Iran returns into compliance and to work with allies to expand it.³⁹ And, this time, the United States would also likely initiate a diplomatic initiative to address concerns with Iran's regional activities.⁴⁰ Although such a process would need to be mostly driven by the states in the region to be successful, it would nonetheless require transatlantic concert and support.

Different scenarios may complicate Biden's proposed plan, including a potential Iranian attack killing Americans or Iran's withdrawal from the JCPOA or, worse yet, the Nuclear Nonproliferation Treaty. Critics in the United States and Iran as well as regional players such as Israel and the Gulf Arab states aligned with Saudi Arabia may also obstruct the implementation of Biden's strategy. Finally, demands on the United States from Iran could thwart the resumption of a diplomatic process between Wash-

34 Gabriela Galindo, "[Trump: EU was 'set up to take advantage' of US](#)," Politico, June 28, 2018.

35 Glenn Kessler, "[Trump's NATO parade of falsehoods and misstatements](#)," The Washington Post, December 10, 2019.

36 Sam Dorman, "[Joe Biden defends WHO, knocks Trump slogan: 'When America is first, it's America Alone'](#)," Fox News, April 28, 2020.

37 Joe Biden, "[There's a smarter way to be tougher on Iran](#)," CNN Opinion, September 13, 2020.

38 Joseph R. Biden, Jr., "[Why America Must Lead Again](#)," Foreign Affairs, March/April 2020.

39 Council on Foreign Relations, "[The Presidential Candidates on the Iran Nuclear Deal](#)," July 2019.

40 Daniel Benaim and Jake Sullivan, "[America's Opportunity in the Middle East](#)," Foreign Affairs, May 2020.

ington and Tehran, leading Europe to play a larger role in the negotiations. For example, should Iran insist on receiving reparations from the United States to make up for the damage of the latter's withdrawal from the JCPOA, a Biden administration would likely refuse. Another potential point of contention lies in the sanctions snapback mechanism, especially if the Trump administration chooses to trigger it in the final months of its tenure.

Four Scenarios

Europe could respond in several ways to whichever outcome in the U.S. presidential election: a more robustly independent approach; a concerted approach as an intermediary; a E2+1 approach, with Germany and France taking positions that are counter to the United Kingdom's and the United States'; or, a hybrid approach wherein countries pursue some steps that raise Europe's independent profile while—privately or publicly—seeking to take a stronger moderating position between Tehran and Washington.

A second Trump term that maintains many of its hard-line policies toward Iran would lead Europe to double down on encouraging Iran to negotiate by offering incentives—such as more prisoner releases or reversing some nuclear steps—as a demonstration of Iran's good faith to the United States. Europe, especially France, may find independent attempts to deal with Iran to be futile and seek instead to be a more forceful intermediary.⁴¹ There is already a recognition in Iran and in Europe that any new negotiations on the nuclear issue and sanctions relief would mostly take place between Washington and Tehran (more so even than in 2012–2015). With U.S. sanctions having a deleterious effect on Europe's ability to execute an effective foreign policy toward Iran, the E3 may see the only realistic way forward for the Trump administration is if Iran makes a first move. The E3 might be encouraged to use the dispute-resolution mechanism as a negotiating tactic to push Iran to more seriously

consider reversing its nuclear threats, assuming that it still values the JCPOA and does not view Trump's reelection as a path to greater conflict.

Alternatively, Europe may find that, with no more reelection to face, Trump may pursue a less hard-line Iran strategy to secure a legacy. In this scenario, Europe would try to balance Trump's desire for "easy wins" by ensuring Iran changes some of its behavior, such as on missile testing, to guarantee Iran brings real concessions and does not follow the recent model of talks between the United States and North Korea, where Kim Jong-Un appeared to string the president along with few concessions.⁴² The risk in this scenario is that Europe would be overshadowed and on the sidelines of any U.S.-Iranian rapprochement, leaving its interests hanging in uncertainty. Trump might see that the U.S. sanctions-based strategy, which has arguably reached a plateau in producing results, leaves his ultimate goal of Iran returning to the negotiating table as elusive as when the U.S. withdrew from JCPOA in 2018.⁴³

A second Trump term that maintains many of its hard-line policies toward Iran would lead Europe to double down on encouraging Iran to negotiate.

However, Europe should not necessarily bank on a less hard-line Iran strategy. Even with Trump's recent messaging that, if reelected, he would seek negotiations and reach a new deal with Iran within a matter of weeks, it remains unclear if he has given concrete thought to the steps required to achieve this. As noted earlier, the president's apparent policy preferences are not necessarily shared by his senior officials—leaving other countries uncertain over U.S. policy. In any

41 Adam Nossiter, "[How Emmanuel Macron Positioned Himself as Star of the G7 Show](#)," The New York Times, August 27, 2019.

42 Anthony Kuhn and Scott Neuman, "[2 Years After Singapore Summit, U.S.-North Korea Relations Back to Square 1](#)," NPR, June 12, 2020.

43 James Gibney, "[Trump's Sanctions Are Losing Their Bite](#)," Bloomberg, April 2, 2020.

event, it is unlikely that his administration would offer realistic incentives to Iran to negotiate.

Regardless of which approach Trump would take if reelected, the E3 would do well to seek a Europe-wide consensus on inducements that would encourage him to take a more benign approach toward Iran. These could be in the form of more muscular and overt European contributions, such as air defense assets and naval patrol vessels, that support Trump's regional security objectives, particularly security cooperation with Gulf states. While France and the United Kingdom already have committed sizeable contributions, other European countries that possess similar capabilities rely equally on a secure Middle East for oil. Europe might also consider mirroring some uncontroversial U.S. sanctions on Iranian precious-metal exports and regime figures, while furthering sanctions on weapons proliferators and nuclear scientists—actions that may not necessarily be perceived by Iran as undermining the JCPOA. European countries that possess robust maritime capabilities could conduct routine inspections of suspicious cargo or, in the case of stronger maritime powers such as the United Kingdom and France, undertake compliant boarding and searches on the high seas targeting foreign-flagged vessels that may be clandestinely carrying Iranian arms shipments. While some may deem these steps to be mostly symbolic, these measures would serve as tangible evidence for Trump that Europe is in agreement with his concerns on Iran's behavior and taking action that aligns with his policies. Such European steps may also offer the E3—or the E2, if the rift between Germany and France on the one hand and the post-Brexit United Kingdom on the other continues to grow and leads to greater U.S.-U.K. alignment—a stronger position when advocating a revised U.S. approach toward Iran.

In a third scenario, which appears less likely given Europe's broader interests in the transatlantic alliance, Germany and France in particular could seek additional leverage to temper and perhaps even counter Trump's hard-line Iran policies. In this case, London—under Prime Minister Boris Johnson—would most likely align with Washington, while Paris and Berlin

would seek to limit what they view as the damage caused by the Trump administration, in a revival of the 2003–2005 EU dynamics which mostly excluded the United States and the United Kingdom. Further escalation in the region resulting from Iran's wish to gain leverage vis-à-vis the United States (especially if it directly affects European security, such as through an increase in displaced individuals seeking refuge in European countries) could be a direct contributor to such a shift in Europe's calculation.

For Europe, a Biden administration would offer an opening to resume diplomatic efforts to tackle the challenges posed by Iran.

The fourth and most likely scenario would involve Europe continuing its desire to be perceived as independent while seeking a greater role in leading a quiet international effort to get Iran back in compliance with the JCPOA and at the negotiating table. This would allow Europe to privately remain the power broker in the multilateral dynamic with Iran while allowing Trump to publicly take credit for whatever benefits result from European efforts. European countries have already signaled they are taking a more independent role on Iran policy, when—as noted above—France, the United Kingdom, and Germany joined forces to prevent the United States from introducing an arms-embargo extension resolution at the UN Security Council. And, to demonstrate the quiet European approach to getting Iran back into compliance with the JCPOA, in August the IAEA director, with the backing of the E3, successfully reached an agreement with Tehran to allow the organization access to two nuclear facilities.

For Europe, a Biden administration would offer an opening to resume diplomatic efforts to tackle the challenges posed by Iran's foreign policy. As Biden stated recently, "If Iran returns to strict compliance with the nuclear deal, the United States would rejoin the agreement as a starting point for follow-on negoti-

ations.” These negotiations would likely entail actions designed to extend the JCPOA’s “sunsets”—established times in which it would allow the lifting of restrictions on Iran’s nuclear program—and efforts to build on the agreement to address other areas of concern, such as ballistic missiles and U.S. hostages. If this plan is complicated by the Trump administration’s pursuit of a unilateral sanctions snapback before it leaves office, however, a Biden administration may find itself facing a scenario in which there is no JCPOA to rejoin. This could be further complicated by Iran’s withdrawal from the Nuclear Nonproliferation Treaty. Iran uses this threat as a negotiating tactic and as a signal that it has options rather than an actual way forward, as its leaders understand the costs of this move—including a reinvigorated international consensus around their nuclear program and potential military action by the United States or Israel.

In such a scenario, the United States and its European allies (along with Russia and China) would need to work on a new arrangement—which could be based on the JCPOA while also encompassing the political and security considerations of early 2021. In both situations, the United States would likely lead on the nuclear issue—as it did in the talks that resulted in the JCPOA. To ensure Iran understands the seriousness with which a Biden administration intends to negotiate with Iran, Washington may signal that it would negotiate directly with Tehran on all matters related to the JCPOA and Iran’s missile and regional activities. After successful negotiations, the United States would seek to obtain European buy-in as a show of solidarity, while taking ownership of nearly all aspects of the negotiations, including ensuring that the new agreement addresses the concerns of Europe, Israel, and the Gulf states. Alternatively, a Biden administration might call for Europe to take the lead on Iran’s missile program, given that advancements in Tehran’s missile ranges and the related technology proliferation to proxies would pose more of a direct threat to Europe. While such a division of labor may be controversial among the United States’ regional partners, giving them a lead role in some part of a future comprehen-

sive agreement—on regional issues, for example—may mitigate some of their concerns. This would see Washington leading on the nuclear file, Europe on the missile issue, and the Gulf states on addressing Iran’s regional malign activities.

Mismatched Priorities with Washington and Among Europeans

If U.S.-Iranian escalation continues, European interests will likely be targeted by Tehran as they have been in 2019–2020. Europe may play a role in deescalating tensions but should negotiations resume, it would likely play a supporting role rather than lead. This is because from Iran’s perspective, Europe has proven largely incapable of exercising agency, making its main objective to settle differences with the United States in exchange for sanctions relief. Iran and the United States are aligned on who would lead nuclear talks—though, as noted, Washington could lead on the nuclear file while delegating the missile issue to Europe.

A key consideration for Europe is the issue of mismatched priorities.⁴⁴ This will likely remain true regardless of the administration in the United States as respective priorities correspond to fundamental threat perceptions and national-security considerations. More challenging yet is the fact that there is no single coherent view of priorities within Europe. There is a transatlantic consensus that three buckets of issues are the core of the challenge posed by Iran: its nuclear program, its missile activities, and its regional policies. However, the two sides view and prioritize each of these differently. For example, while the United States and Europe view nuclear nonproliferation and preventing an Iranian nuclear weapon as critical, there is little consensus on the regional dimension of Iran’s nuclear program.

In addition to a lack of consensus on which of Iran’s policies present the most challenge to U.S. and European interests and what the desired outcome of

⁴⁴ Laurence Norman, “[Trump Moves Have Damaged Trans-Atlantic Ties, Says EU Foreign Policy Chief](#),” *The Wall Street Journal*, June 19, 2020.

diplomatic efforts should be, Europe remains skeptical of the U.S. heavy reliance on sanctions which have significantly curtailed EU trade with Iran.⁴⁵ This view has been exacerbated by the Trump administration's departure from the Obama administration's efforts to build multilateral sanctions regimes.

A second consideration is that when it comes to deterring Iran's malign activities in the Persian Gulf or the details of some of the other portfolios, even the E3 are split. With the United Kingdom having left the EU, the E3 will likely remain split or pull even further apart. For example, the United Kingdom was among the first U.S. partners (and the only European country) to support the International Maritime Security Construct or "Operation Sentinel," a U.S.-led maritime mission to deter Iranian behavior.⁴⁶ France rejected any participation and created a parallel European-led naval operation in the Strait of Hormuz with participation from Belgium, Denmark, Germany, Greece, Italy, the Netherlands, and Portugal.⁴⁷

Different views of Iran's chief non-state ally, Hezbollah, which the United States designates as a terrorist organization, are also one source of intra-European policy differences on Iran. Earlier this year, Germany announced that it would outlaw Hezbollah political activities on its territory—up to then, only the organization's military wing was banned.⁴⁸ This shift was likely the result of intense lobbying from the United States and Israel.⁴⁹ Meanwhile, the United Kingdom, France, and most other European countries continue to allow Hezbollah's political wing to operate on their territories. Iran would be quick to use

any daylight between European countries as ammunition in its messaging campaign, and the positions of London and Paris on Hezbollah—with both capitals giving legitimacy to Hezbollah's political wing—is counter to U.S. policy, which views the political and militant wings as one and the same.

Different views of Hezbollah are also one source of intra-European policy differences on Iran.

Another example of intra-European division lies in the nuclear issue, despite the E3's solidarity this summer opposing U.S. plans to extend the arms embargo. Several factors, including key countries' traditional positions on nuclear nonproliferation, their threat perceptions vis-à-vis and trade relations with Iran, and relationships with one another (especially post-Brexit) are all significant and relevant. For example, as a power that sees its nuclear status as an important source of prestige, France has long adopted a hard line on nonproliferation.⁵⁰ Hence, during the interim deal paving the way for and talks leading to the conclusion of the JCPOA, French negotiators were often more forceful than their U.S. and European counterparts in their push for limits on certain aspects of Iran's nuclear program.

However, several developments—including a change in government and Trump's decision to pull out of the JCPOA—led Paris to seek a leading European role in a more comprehensive approach to Iran, addressing concerns not just related to nuclear issues but also French hostages, missile activities, and Iran's regional activities.⁵¹ Since then, there have been some tensions within the E3. In some instances, they appear to function more as the E2+1, with the United Kingdom aligning itself with the United States while France and Germany work in concert. The coming

45 European Commission, [Iran Trade Picture](#), April 2020.

46 UK Cabinet Office, "[UK joins international maritime security mission in the Gulf](#)," August 5, 2019.

47 Dan Lamothe, "[Allies hesitated to join a U.S.-led task force protecting ships from Iran. Now a British Officer is in charge](#)," The Washington Post, January 30, 2020; Ministère de L'Europe et Des Affaires Étrangères, "[France Committed to maritime security in the Gulf](#)," December 12, 2019.

48 Sirwan Kajjo, Ezel Sahinkaya, and Mehdi Jedinia, "[Experts Split on Impact of Germany's Hezbollah Ban](#)," Voice of America, May 6, 2020.

49 Tamar Beer, "[Mossad intel helped Germany decide to outlaw Hezbollah – report](#)," The Jerusalem Post, May 2, 2020.

50 France Diplomacy, "[The Iranian Nuclear Issue](#)," August 2019.

51 David E. Sanger, Steven Erlanger, and Adam Nossiter, "[France Dangles \\$15 billion Bailout for Iran in Effort to Save Nuclear Deal](#)," The New York Times, September 2, 2019.

post-Brexit years could be telling in determining whether the European dynamic will remain reflected in the E3 or witness the cementing of one along the lines of the U.S.-U.K. bloc working alongside the E2 of Germany and France.

Conclusion

Following the U.S. presidential election, European capitals will brace for either another four years of uncertainty under Trump or a new approach to addressing Iran under Biden. Instead of celebrating the five-year anniversary of the JCPOA, they find themselves questioning the commitment of the United States to undertake policies that complement European security efforts. The E3 and other European countries are concerned that their influence over U.S. foreign policy in general—and on Iran, in particular—is waning due in part to the EU's ongoing debate about its own foreign policy priorities and objectives. While they agree with U.S. concerns about Iran's nuclear threats and missile activities, they view Trump's heavy use of sanctions as a hindrance to the EU's ability to implement an Iran policy beneficial to European interests, specifically its ability to incentivize Iran to consider addressing shared U.S. and European concerns over its malign activities.

Europe is hoping for a change in Washington's approach to one that helps reduce regional tensions and allow it to focus on other geopolitical priorities, such as Russia and China. A second Trump term is unlikely to see Europe operating either entirely independently from or completely aligned with the United States. There may instead be an E2+1 approach where France and Germany face an increasingly aligned

United Kingdom and United States. But most likely is a continuation of Europe's desire for setting a policy that is distinct from Washington's most hard-line objectives while seeking a greater role in setting Iran policy on common goals. Alternatively, a Biden administration would give Europe greater confidence in doubling down on its diplomatic approach, seeing a major diplomatic partner in Biden, who has suggested he would seek to rejoin the JCPOA while strengthening the agreement. This approach would be affected, however, if the Trump administration snaps back sanctions over the next few months and Iran takes even more drastic steps in the nuclear realm.

Regardless of who wins in November, the occupant in the Oval Office should recognize Europe's important role in helping the United States address many of Iran's malign activities. Leaving Europe out of any future U.S. decision on Iran would be unwise given that key European countries have the only viable communications channel with Iran and, unlike Washington, can sway other EU members (and international partners) to agree with positions on Iran that may be advantageous to the United States. The United States needs Europe's support to gain more global credibility if it wants to get Iran back to the negotiating table. U.S. policy on Iran will be stronger with Europe at its side. And also, regardless of administration, U.S. policymakers should recognize that the transatlantic relationship is too critical to their country's national-security interests and its ability to tackle the rise of China, the coronavirus pandemic and the related economic recovery, and counterterrorism for it to become collateral damage in the ongoing tensions between the United States and Iran.

Opportunities for Transatlantic Cooperation on Iran

Despite their disagreements over some policy approaches toward Iran, Europe and the United States share key interests and can expand their cooperation on the following challenges the country poses.

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| Hostages | Hostages held by Iran are often but not exclusively dual nationals, including French, British, and American citizens. By presenting a united front and working together, their governments can secure their release and force Iran to put an end to its policy of hostage taking |
| Illicit Procurement | Major European powers can do more to advocate within Europe to strengthen its authority to uphold existing multilateral regimes, such as the Missile Technology Control Regime and Proliferation Security Initiative. The United States and Europe should consider granting security aid to partners based on progress toward counterproliferation milestones. |
| Law Enforcement Cooperation | Alleged Iran-sponsored assassination plots throughout Europe and elsewhere offer opportunities for the United States to assist European countries with best practices on terrorist investigations. Local U.S. police departments with experience in counterterrorism would be excellent resources for European state and municipal agencies to learn from. |
| Counternarcotics Cooperation | Iran sits at the crossroads of trafficking routes that begin in Afghanistan and end in Europe. As the United States scales back operations in Afghanistan, it could cooperate with Europe on counternarcotics efforts and curtailing the smuggling tacitly endorsed or undertaken by the Islamic Revolutionary Guards Corps. |
| Build Partner Capacity | European governments have deep reservations about selling defense equipment to Middle Eastern countries. But there are legitimate areas that would not cross Europe's red lines and could complement U.S. efforts. Many of Middle Eastern countries lack capacity that Europe can provide, such as air defense or maritime border security. |
| Cyber Activities | Iran is increasingly active in cyber space and targets U.S. and European government agencies, companies, and citizens. Transatlantic cooperation is needed to counter these efforts. |
| Online Influence Operations | Along with Russia and China, Iran has become a key player in online influence operations. A coordinated response bringing together civil society, governments, research institutions, and technology companies on both sides of the Atlantic is required to effectively tackle the challenge these operations pose. |

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