

CHAPTER I

INTRODUCTION

A. BACKGROUND

During the 21st century, the world faces common challenges such as global warming, environmental degradation, and running out of natural resources to produce energy. Since the exploitation of common natural resources branched out, the states face shortage of non-renewable natural resources and look for alternative energy. The development of the alternative energy which led to debate between pros and cons is called nuclear energy. The most significant development of nuclear energy focused during World War II (WW II) 1939-1945 was the atomic bombs and weaponry. The first development was from Albert Einstein and supported by President of U.S., Franklin D. Roosevelt. President Roosevelt was the one who accelerated the development of nuclear energy into military weapon by creating a special project called “Manhattan Project”(Secretary of Defense for Nuclear of U.S, 2011).

The study of nuclear development was not merely purposed for atomic bomb and weaponry. Although the first nuclear proliferation was intended for warfare needs, the nuclear energy proliferation actually is able to produce energy with peaceful means, such as producing electricity power in Iran. The nuclear proliferation program in Iran was initiated by Emperor Shah Pahlavi in 1950s by creating an agreement with western countries. Iran started to research and develops their small nuclear reactor in Tehran by the assistance of United States (Institute for Science and International Security, 2005).

After the end of World War II, the situation has entered into Cold War, in which the two super powers did not directly to jump down to the war, but their power competed to influence other states to be their allies and to join war for them. The development of nuclear became central issues by this time, since it leads to the question about how far the states would proliferate their nuclear energy and whether it was for the sake of peaceful objectives or there were hidden agendas such as for warfare needs. The United Nations addressed by President Eisenhower in 1953 created a special agency called International Atomic Energy Agency (IAEA) which was assigned as the agency's responsibility to monitor the development of state nuclear proliferation program in accordance with the NPT regulation (Bunn, 2009).

In the early of 1960s, the UNGA (United Nations General Assembly) preceded the resolution toward states to have an agreement regarding nuclear weapon. After a conference in Geneva in 1965 which discussed the draft of nuclear Non-Proliferation Treaty (NPT). Later, in 1968 NPT officially opened for signature. The NPT has 3 main pillars, namely Non-proliferation, Peaceful Uses, and Disarmament. These three main pillars are created in order to guide the states to proliferate peaceful nuclear means. The states need to consider about how far they are allowed to develop their nuclear energy and their responsibility towards the nuclear energy which they built (U.S Delegation on Treaty Review Conference, 2010).

The close relationship between United States and Iran brought United States to give Iran their first nuclear reactor for Tehran Nuclear Research Center

(TNRC) in 1967 for developing the electrical energy (Cordesman, Burke, & Seitz, 2008). One year later, Iran agreed to be assigned as one of the members of NPT as the signatory which obliged to avoid producing weaponry system using nuclear energy. In 1973, the ambitious of Emperor Shah regarding nuclear development program was clearly seen by the establishment of Iran Atomic Energy and the development of bigger nuclear construction and capability. Not only supported by nuclear energy reactor, Iran also received economic and military assistance (Institute for Science and International Security, 2005).

During the post WW II, when the states were divided into two major powers which are United States and Soviet Union. Both sides were trying to spread their ideologies as broad as possible or it was called as Cold War. On the United States side, the liberal-capitalist ideology, firstly the economic dominance became their main focus. Secondly, it was transformed into political dominance. The political dominance includes many aspect not only the economic aspects. A lot of sources written that the United States on 1974 started to decline its power because of the rising power of Asian and European countries, United States was still eager to dominate and become hegemonic state. It can be said that economically and politically United States remained powerful. Therefore, the United States has moral responsibility to secure the world yet it still competed with Soviet Union (Go, 2007).

In 1975, United States demanded Iran to lower down their oil price because of the oil crisis, but the Emperor Shah refused to follow the United States request. Previously, Emperor Shah was considered as the only state leader in

Middle East who could stand up against Soviet Union (Cooper, 2008). Then, the shadow of good relationship between Iran and United States faded away. The fact that, the oil demand was high and the supply relatively low, triggered some western countries which imported oil from Iran before 1975. The oil consumers were economically burdened by the new policy of Emperor Shah. The culmination of bad relationship happened when Emperor Shah sent a letter to President Ford, stated that he had maintained a good relationship which fulfilled one another national interest. However, Emperor Shah rejected any dictation from any states regarding his dignity and sovereignty of Iran as a state. On the other side, President Ford who was driven by anger started to turn to Saudi's side which was well known as the Iran's enemy (Cooper, 2008).

The hatred of Iranian people towards Emperor Shah reached the crest and led to Iranian Islamic Revolution in 1979. The case of violation of human right, monetary crisis and dissatisfaction of political regime of Emperor Shah were the main reasons of the uprising in 1979. Actually, Ayatollah Khomeini, was the one who always criticized him almost in every aspect of the government. Prior to Emperor Shah's regime, Iran was an Islamic country but turned out into secular country because of Emperor Shah's decision. Therefore, Iranian Islamic Revolution by revolutionary religious opposition was led by Ayatollah Khomeini. The derivation of United States and Iran relationship had changed in a flash.

Furthermore, the revolutionists took over the American embassy in Tehran along with hostage of 100 American broken up their good relationship (Wise, 2011).The transformation of a good relationship between Iran and United States

changed into a rival in which United States started to impose sanctions against Iran. Every step taken by Khomeini which contradicted with the United States intention would result to the renewal of sanction harsher. The European Union and United Nations agreed to sanction Iran economically as well (Cordesman, Gold, &Coughlin-Schulte, 2015). Moreover, related to the nuclear energy possession, Iran was categorized as the distrustful country. Although Iran has reported over his nuclear development program is peaceful, butthe wariness was still there. United States under President Obama administration was the one who imposed harshest sanction against Iran.

This case became very interesting because, surprisingly, in the midst of 2015, President Obama decided to lift the sanction against Iran especially with nuclear-related sanction which mostly covered in economic sector. After the endless sanction against Iran because of the nuclear energy possession and human right violation in 1979, in midst of 2015 United States decided to lift the economic sanction. The decision of United States was seen as a unique decision, obviously public's opinion all across United States were separated into two different majors which are pros and cons. Therefore the writer would like to know about the policy influencers and the decision making process in United States that resulted in lifting the economic sanction against Iran.

B. RESEARCH QUESTION

Based on the background explained above, the question emerged in this undergraduate thesis can be formulated as, “Why did United States lift the economic sanction against Iran in midst 2015?”

C. THEORETICAL FRAMEWORK

In order to understand the logic of sequence of of United States before decide to lift the economic sanction, the writer attempts to explain by using Foreign Policy Decision Making Process by William D. Coplin.

1) The Foreign Policy Decision Making Process

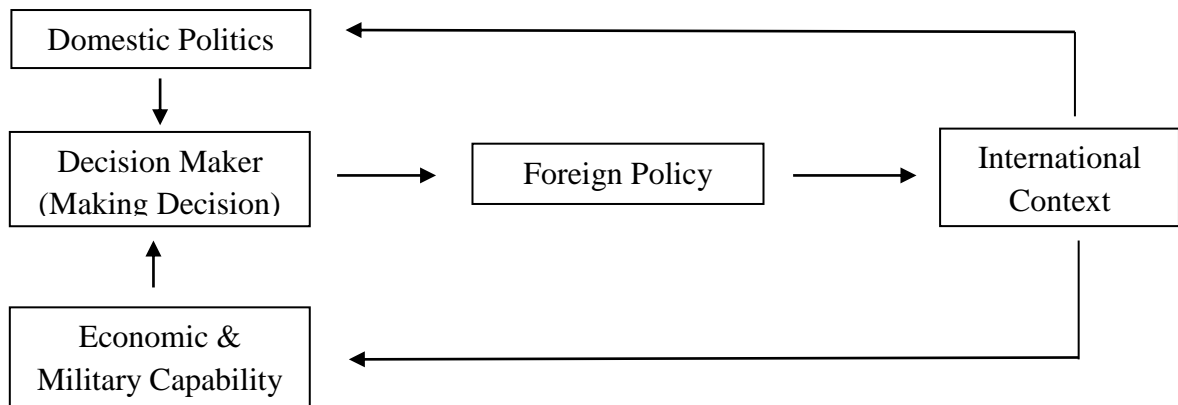
The phenomenon of United States that lifted the Iranian economic sanction on midst of 2015 can be explained by the concept of Foreign Policy Decision Making Process. The essence of foreign policy must contain the national interest of state. From the theory of William D. Coplin about Foreign Policy Decision Making Process, it can be seen that there are some elements of Foreign Policy which need to be considered before deciding a foreign policy. As mentioned by Coplin (2003) in his book about Foreign Policy Decision Making Process, it is written that:

“To be interested in why states behave as they do interest area, we have to be interested in why their leaders make the decision.... On the contrary, any given foreign policy act may be viewed as the result of three board categories of considerations affecting the foreign policy decision maker state. The first is the domestic politics within the foreign policy decision makers state; the second is the economic and military capability of the state; the third is the international context the particular position in which his state finds itself especially in relation to other state in system.” (Coplin, 2003, p. 30)

The statements above explain that the foreign policy consists of four determinants, which are the domestic politics, military and economic condition within country, international context, as well as decision makers. By analyzing the four determinants of foreign policy, we will able to explain about the reasons behind a state creates a foreign policy. In order to have better understanding about

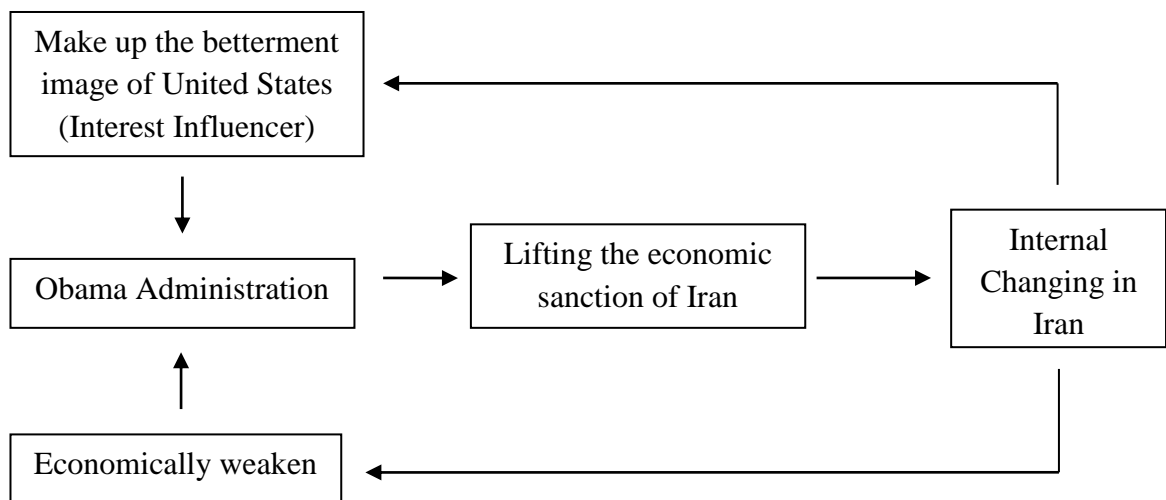
the interaction of one to another element, the writer attempts to illustrate the flow of the interaction as follows:

Figure 1
Foreign Policy Decision Making by William D. Coplin



Source: Introduction to International Politics by William D. Coplin (2003)

Figure 2
Foreign Policy Decision Making (President Obama Administration in 2015)



The chart above depicts the process of decision making of United States based on the following theory as follows:

1. Domestic politics → The Dominance of Interest Influencer of Obama in United States

The domestic politics is seen as the fundamental factor in deciding the foreign policy of a state. The domestic politic could be referred to the behavior of state or the national interest of state which wanted to be implemented on their foreign policy. According to Coplin (1980), the domestic politics are determined by four types of policy influencers which are:

- Bureaucratic influencers: They are the individuals or organizations that take a part in the executive institution in government that helps the decision makers in formulating and implementing the policy.
- Partisan influencers: The political parties that exist in the country contributed much on decision making process, because the political parties could be the bridge between the people to the government. The political parties are expected to deliver the people arguments, demands or suggestions to the country.
- Interest influencers: The group of people who shared the same based interest. The interest of the states might be economic, non-economic or political motive. In order to precisely predict that interest influencer is influence the decision maker, we have to understanding the dynamic situation from many aspects such as the background and the particular interest of a person or a group.

- Mass influencers: The mass communication drives much the public opinion or mass opinion of people. They provide the government the other perspective from most of the people.

From the four aspects of the domestic politics, the state could consider about which one is the most suitable and appropriate Foreign Policy for their state. The situation still depends on the political system that is implemented by the country whether it is open or close; multi-parties or only two parties; and how the credibility of them. Before deciding the foreign policy, state must consider the costs and benefits of each alternative (Coplin, 2003).

In the case of United States, the interest of influencers seems as the main determinant in this aspect. The speech of President Obama entitled 'A New Beginning' in Al-Azhar University, Cairo in 2009, remarkably shows the national interest United States by that expect to create a better image of United States especially in terms of restoring the relationship with Islamic countries. President Obama shared many issues on his speech and some parts particularly mentioned about Iranian cases, as follows:

“The question now is not what Iran is against, but rather what future it wants to build. I recognize it will be hard to overcome decades of mistrusts, but we will proceed with courage, rectitude, and resolve. There will be many issues to discuss between our two countries, and we are willing to move forward without preconditions on the basis of mutual respect. But it is clear to all concerned that when it comes to nuclear weapons, we have reached a decisive point. This is not simply about America's interests. It's about preventing a nuclear arms race in the Middle East that could lead this region and the world down a hugely dangerous path.”(Obama, 2009)

2. Economic and Military capability → The Derivation of United States

Economic and Military Capability

The economic and military capability is one of the determinant factors in decision making process of foreign policy. The reason of economic and military capability in the determinant factor in foreign policy is because it reflects the material power of the state. According to Coplin (2003), the economic and military could not be referred only to the quantity. Although the economic and military capability is one of the determinant factors to develop, it also can destroy the state.

United States as the one of the most developed countries possessed the capacity of economy in industry and the advanced military capability. However, the economic capacity of state could be increased or decreased shortly and it would give impact to the military capacity as well. The spending and debt of United States are impressively high which obviously would give impact to the economic stability of United States. If the same situation is still happening, the economic weaken of United States is closely approaching (Boccia, 2013).

3. International context → The Declining Degree of Hostilities among United States and Iran.

According to Coplin (2003), the combination of the characteristic of international context and state relationship determined how the state reacts toward some international issues. For example, if the relationship with one another countries is especially related to a particular case, it could be the product of their policy in the past, current or something for their future from unexpected thing.

The combination with one and another factors in the decision making process could help the scholar have understanding of decision of state in making policy.

The international context is something that happened outside of country and out of the control of the state. In the case of United States changing decision, it was influenced by the internal changing of Iran. The current president of Iran who was elected in 2013 was the most moderate president, compared with the previous leaders. The Iran current president, Hassan Rouhani, was showing his intention to meet the international obligations especially the nuclear-related obligations. The action of President Rouhani was intended to create better image of Iran in international community. Therefore, it was expected that the international community, especially United States, would trust Iran and lift the sanctions to Iran (Ostovar, 2016).

4. The decision maker : Obama Administration

The decision maker is the people who decide which formulation is the most rational and beneficial (compared with the cost). The decision maker faces some particular situation, such as the responsibility or the impact of the decision and sometimes they are forced to take the decision. The behavior of the decision maker contributed much on the chosen alternative. The administration of President Obama since 2009 and will end in 2016. President Obama, as the first non-white president, gave much impact on the world peace compared with the former president, George W. Bush. President Obama tends to have middle policy rather than extreme policy, play safer and use more rational consideration which leads to the betterment image of United States (Wayne, 2010).

D. HYPOTHESIS

The hypothesis is the writer's presumption toward the answer of the research question. By using the data and the theoretical framework before, the writer assumes that:

- The reason of United States decided to lift the economic sanction to Iran because the dominance of the interest influencer of President Obama in United States, the derivation of United States economic and military capacity, and the declining degree of hostilities among United States and Iran.

E. PURPOSES OF WRITING

1. As the requirement of the final year of university student in order to achieve the Bachelor of International Relations from Muhammadiyah University of Yogyakarta.
2. To explain the facts about the series of the economic sanctions against Iran imposed by United States over years because of Iran's possession of nuclear.
3. To gain understanding about the United States policy makers consideration and the factors that led the lifting of nuclear-related sanctions which almost all of them are the economic sanctions.
4. To know the effectiveness of the United States decision to impose sanctions against Iran economically.

F. RESEARCH METHOD

1. Scope of research

In order to have a clear scope of the research, this research emphasizes on the reason behind the United States lifted the economic sanction against Iran as the determinant of the elements in foreign policy decision making process. Then the interval time describes the early history from 1950s-1979 under Emperor Shah and then analysis the 1979-2015 as the dynamics of the United States and Iran relationship which focus on 2015 decision of United States.

2. Method of collecting data

The data of this research are classified as the qualitative data, which are gathered by the writer as the means to look for the facts that will help to support this undergraduate thesis. The data are gathered through collecting any sources from books, journals and news that have correlation with the case which are from hardcopy as well as from internet.

3. Method of analysis data

The research of this undergraduate thesis uses analysis technique by gaining data as much as possible and classifying the data which is coherent with this topic. Later, the data are systematically presented based on the relation between one and another sub topic.

G. SCOPE OF RESEARCH

In order to make this undergraduate thesis clear and focus, the writer limited the discussion on the particular time until the midst of 2015. As many sources explained about the potential threat of Iranian nuclear development or as the

advancement of this very recent time, it will not become the cases that will be discussed by the writer in this undergraduate thesis.

H. ORGANIZATION OF WRITING

The organization of writing in this undergraduate thesis is arranged as follows:

Chapter I : Introduction. This undergraduate thesis is started by the introduction which covers the explanation about: background, research question, theoretical framework, hypothesis, method of research, scope of research and organization of the writing.

Chapter II : This chapter describes the facts about brief history about the chronology of United States and Iran relationship since 1950s – 2015.

Chapter III : This chapter deals with the United States dilemma in lifting the economic sanction against Iran regarding the possession of nuclear weapon. The policy options for United States regarding the changing behavior of Iranian government.

Chapter IV : In this chapter, the writer proves the writer's hypothesis that has been explained before by providing the evidence combined with the theoretical framework. The combination of Rational Actor Model and Foreign Policy Decision Making Process will show the truth of the United States consideration to lift the economic sanction against Iran.

Chapter V : The last chapter of this undergraduate thesis covers the overall conclusion. At the end, the thesis will conclude the policy influencers of United States lifted the economic sanction towards Iran.