
Five Scenarios for the Iranian Crisis

In collaboration with the Atomic Energy Commission (CEA)

George Perkovich

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Proliferation Papers

Though it has long been a concern for security experts, proliferation has truly become an important political issue over the last decade, marked simultaneously by the nuclearization of South Asia, the strengthening of international regimes (TNP, CW, MTCR) and the discovery of fraud and trafficking, the number and gravity of which have surprised observers and analysts alike (Iraq in 1991, North Korea, Libyan and Iranian programs or the A. Q. Khan networks today).

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Introduction

Since August 2005, Iran's campaign to enrich uranium and acquire other technologies and practical experience that would enable it to produce nuclear weapons has gained momentum. President Mahmoud Ahmadinejad and militant elements in Iran's ruling circle pointedly continue to defy international demands to cease uranium enrichment while the International Atomic Energy Agency's doubts about the peacefulness of Iran's past nuclear activities remain unresolved - according to the IAEA, Iran has not provided adequate cooperation to help resolve these doubts. This obstinate stance, paired with an aggressive posture toward Israel, has heightened Ahmadinejad's popularity in the wider Arab world, including among Sunnis. In an unpredicted and quite ironic way, the Persian Ahmadinejad has become an avatar of Arab nationalism. The popularity of Iran's defiant position has, in turn, hardened Iran's resistance to international policy objectives to constrain the nuclear program.

Iranian leaders say they do not seek nuclear weapons. They portray their nuclear standoff with the international community as resistance to nuclear neocolonialism led by the United States. Within Iran, the nuclear issue is framed broadly in terms of scientific advancement and development. Thus, when officials say that the Iranian people massively support the nuclear program this does not mean favoring acquisition of nuclear weapons. But the tactical result is resistance to limitations on nuclear technology, even if the international community actually is offering incentives to expand, not prohibit the role of inherently peaceful nuclear technology in Iran.

The international community is represented in negotiations with Iran by France, Germany, the United Kingdom, Russia, China and the United States. The European Union's secretary-general and High Representative for the Common Foreign and Security Policy Javier Solana play a vital intermediary role. The international community demands through UN Security Council Resolution 1696 (adopted July 31, 2006) that Iran suspends all uranium enrichment and reprocessing activities. If Iran respects the legally binding Security Council resolution, longer-term negotiations would resume with Europe, Russia, the United States and others to assist Iran to expand its peaceful nuclear power program, increase trade, establish dialogue for promoting regional security, and otherwise normalize relations with the Islamic Republic.

As of early December 2006, Iran continues to defy the UN Security Council and the IAEA, while the permanent members of the Security Council

remain unwilling after three months to agree on measures to impose costs for this defiance of international law. The U.S. has pressed for relatively tough economic and political sanctions. The U.K. and France have more moderately proposed to bar certain international nuclear cooperation and conventional arms sales with Iran. Russia publicly dismisses the utility of sanctions at all. The U.S., France, Germany, and the U.K. are determined to maintain Security Council unity in order to increase Iran's sense of isolation. But Iran exploits the resultant delay and, believing that any sanctions will be mild, pushes on with uranium enrichment and development of plutonium production capabilities. The United States' difficulty in Iraq and Russia's resistance to firm Security Council action embolden the most militant elements in Tehran to reject any attempts to bar Iran from enriching uranium on its territory.

Iranian negotiators have marshaled fallacious, but widely accepted arguments to resist both the Security Council and the European negotiators. They have shifted the subject from Iran's non-compliance with its safeguards obligations and insufficient cooperation with the International Atomic Energy Agency to verify that Iran's nuclear program is exclusively for peaceful purposes. Instead, Iranians have portrayed this as a story of the United States' bloody-minded crusade to deny Iran its nuclear rights. The world was already appalled and alarmed by the Bush Administration, so it has been sympathetic to the Iranian story. This story needs to be corrected.

Iran, like all countries, has a right to "develop research, production and use of nuclear energy for peaceful purposes...in conformity with Articles I and II of the Treaty." Under Article IV of the Nuclear Non-proliferation Treaty, Iran can expect international cooperation in exercising such rights to benefit from peaceful nuclear energy.

However, there is no explicit right in the NPT for any nation to possess uranium enrichment or plutonium separation technology, just as there is not a specific prohibition on possessing such technology. Specific rules guiding the international management of nuclear technology evolve through negotiation and custom. In all cases, rights under the NPT are conditioned on the obligation "not to manufacture or otherwise acquire nuclear weapons; and not to seek or receive any assistance in the manufacture of nuclear weapons." (Article II) If a state does not comply with its obligations not to seek or receive any assistance in acquiring nuclear weapons, and to use nuclear technology and know-how solely for peaceful purposes, it loses its rights under the NPT.

A comparison with automobile driving helps clarify the issue of nuclear "rights": a citizen has the "right" to drive a car, but no particular car technology is specified as a matter of right. Rules evolve to define which car technologies are legal or illegal at a given time, relating for example to pollution control systems, the use of only unleaded fuel, mandatory seatbelts, etc. And the "right" to drive is conditioned by the driver's behavior: a man who gets speeding tickets or drives recklessly loses his license to drive. The length of time this "right" is forfeited depends on how dangerous the behavior of the driver has been.

Beginning in early 2003, International Atomic Energy Agency investigators – not the United States – found evidence that Iran was non-compliant with its safeguards obligations. The IAEA uncovered numerous violations dating back to the mid-1980s.¹ In order to verify that Iran’s nuclear activities and program conform to its core commitment to use nuclear technology only for peaceful purposes; the IAEA needs answers to lift the suspicion that Iran’s hidden activities were not exclusively peaceful. Iranian protagonists emphasize that the Agency has reported “there is no evidence that the previously undeclared nuclear material and activities...were related to a nuclear weapons program.” (IAEA Report, November 2003) But it is equally important (and often forgotten!) that the Agency “remains unable to verify...the peaceful nature of Iran’s nuclear program,” in the words of the August 31, 2006 Report of the Director General.

Because Iran has been found non-compliant with its obligations and has not enabled the IAEA to verify its compliance with the core Article II obligation that conditions all rights to nuclear energy, Iran has lost, at least temporarily, full enjoyment of its original nuclear rights. Iran’s case is now an enforcement problem, not a rights problem. All other states currently members of the NPT are not in the midst of enforcement problems and therefore are *not* being asked to limit their nuclear activities. Iran is not being discriminated against.

The nonproliferation treaty does not specify how it should be enforced. The general understanding is that the UN Security Council is responsible for enforcement. This was reaffirmed in 1992 when the president of the Council declared that proliferation was a threat to international peace and security. The IAEA statute is more specific. Article XII.7.C states that IAEA “inspectors shall report any non-compliance to the Director General who shall thereupon transmit the report to the Board of Governors.”

Here’s where Iranian protagonists in the current debate exhibit selective amnesia. In 2003, when the IAEA’s findings warranted reporting Iran’s case to the Security Council, Iran pleaded for an alternative. The leadership of the IAEA and of several European countries responded sympathetically for a variety of reasons. Among other things, they feared U.S. leadership on this issue, which seemed inclined to repeat the disastrous Iraq experience. So, the governments of France, Germany, and the United Kingdom were keen to negotiate terms by which Iran could redress its non-compliance and avoid being reported to the Security Council.² In these negotiations, Iran agreed voluntarily and unilaterally to suspend uranium enrichment and other related activities, allowing Iran and the European states to negotiate on longer term measures to address Iran’s interests in nuclear energy and the international community’s need for objective guarantees that Iran’s nuclear activities would be exclusively for peaceful purposes without Security Council intervention.

¹ “Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran,” GOV/2003/40, June 6, 2003.

² For a good narrative and analysis of this period see Shahram Chubin. “Iran’s Nuclear Ambitions.” Washington D.C.: Carnegie Endowment for International Peace, 2006.

Shortly thereafter, Iran interpreted the terms of its initial suspension differently than the Europeans did, and resumed fuel-cycle activities that alarmed the rest of the world.³ A crisis ensued, negotiations resumed, and in November 2004, Iran agreed to a more exactly defined suspension.

Then, in August 2005, as the new government led by President Mahmoud Ahmadinejad was preparing to take office, Iran once again broke the terms of a suspension by operating the uranium conversion facility in Isfahan. Tehran did so before considering the offer of incentives that the European Union governments had just delivered. Iran still had not given the IAEA the cooperation it needed to verify that there is no undeclared nuclear material or activities in Iran. The international community responded meekly. Uranium conversion was considered (unwisely) to be less threatening than uranium enrichment; the red line was moved back.

With the resumption of uranium conversion, Iran had reversed the initiative in this contest. Rather than remaining on the defensive to avoid the consequences of its failing to demonstrate that its past activities complied with its core nonproliferation obligations; Tehran presented itself as the victim – the developing country whose rights to nuclear energy were being violated by the blood-thirsty Bush Administration. The international community's penchant for hesitant action was exacerbated by the Iranian claim of persecution.

Finally, in February 2006, Tehran began to enrich uranium in centrifuges at the Natanz plant, crossing a red line that was too big to ignore.

At this point, the states responsible for upholding the integrity of the nonproliferation regime had to take enforcement action. Iran's previous suspensions of proliferation-sensitive activities had been voluntary, but they had been undertaken to suspend the process of reporting Iran's case to proper enforcement body, the UN Security Council. After several months of diplomacy, the UN Security Council produced resolution 1696, based on the facts that Iran violated its obligations to the IAEA and has not provided necessary cooperation and answers for the IAEA to verify that Iran is upholding its fundamental obligation to apply nuclear energy only for peaceful purposes. Iran is not meeting the conditions on which general rights to nuclear technology and cooperation are predicated, and as a result the Security Council demands that Iran suspend particular sensitive fuel cycle activities. What Iran had volunteered to do before, the UN Security Council is mandating now.

The Security Council demand does not discriminate against Iran, nor is it arbitrary. Rather it is a specific action to redress violations by Iran of the obligations that condition any state's rights to use nuclear technology. The action follows from the International Atomic Energy Agency's patient exercise of its statutory requirement to report non-compliance to the UN Security Council, and from the Security Council's responsibility to enforce the NPT.

³ Fathi, Nazila and Joel Brinkley, "Atomic Activity Resumes in Iran Amid Warnings," *New York Times*, 9 August, 2005, at <http://select.nytimes.com/search/restricted/article?res=F50F10F93C5A0C7A8CDDA10894DD404482>

UNSC Resolution 1696 does not require Iran to permanently suspend fuel-cycle activity. It does not prejudge the outcome of the negotiations, which it calls upon Iran to undertake. Iran's interlocutors (China, France, Germany, Russia, the United States, and the United Kingdom) do not seek to deny Iran's rights to benefit from atomic energy. Indeed, the offer to Iran includes cooperation in building new nuclear power plants in Iran. If and when Iran restores confidence in its intentions by suspending fuel-cycle activities, negotiations will focus, among other things, on conditions under which Iran could enrich uranium without raising reasonable doubts about its ongoing commitment to limit nuclear activities exclusively to peaceful applications. Such conditions would include verification by the IAEA that all of Iran's nuclear activities are peaceful in nature. This is impossible without, among other things, satisfactory answers to the IAEA's still-open questions about Iran's activities related to P-2 centrifuges, the provenance of suspicious isotopes of uranium and plutonium, the presence of highly enriched uranium in plutonium separation experiments, and the implications of the uranium metal engineering drawings found in Iran.⁴ The international community also should insist that it cannot be confident in the exclusively peaceful purpose of Iran's capacity to produce fissionable material as long as Iran does not recognize, and instead threatens, the existence of any state recognized as a member of the United Nations.

This essay explores five broad pathways by which Iran and the international community can try to resolve the nuclear standoff. It emphasizes that the Bush Administration after years of indecision has invested seriously in a diplomatic strategy to induce Iran to forego uranium enrichment and is prepared to pursue behavior change rather than regime change in Iran. However, Iranian resistance continues to raise the prospect that the international community will favor the competing approach of capitulation, which in turn would re-raise the prospects of military attack.

1. Capitulate to Iran and Welcome Limited Uranium Enrichment
2. Offer Sanctions and Positive Incentives To Persuade Iran Not to Produce Nuclear Fuel (for an agreed substantial period of time)
3. Attack Iran's Nuclear Facilities and/or Military Assets
4. Foster Regime Change in Iran
5. Try Options 1 or 2, While Strengthening Deterrence and Containment

⁴ "Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran," GOV/2006/53, 31, August 2006.

1. Capitulate and Cease Objecting to Limited Uranium Enrichment in Iran

As the sense of crisis mounts, people will seek relief by proposing “compromise,” as if the burden is no longer on Iran to rectify its serious nuclear transgressions. Compromise can seem appealing compared to war, which is the alternative that many observers and UN Security Council members believe Washington would pursue (discussed below). But there are alternatives short of war, and the wrong “compromise” today will only lead the world back to the brink of crisis with Iran tomorrow.

The leading compromise proposal is for the international community to endorse Iran’s operation of a small research and development facility for enriching uranium. Iran would run an agreed number of centrifuges – perhaps 328, but less than 1,000 -- while suspending fuller-scale applications of this technology until the International Atomic Energy Agency can resolve the serious doubts that Iran’s nuclear activities have been and will be exclusively for peaceful purposes. Iran has no conceivable need or capacity to make nuclear reactor fuel for at least another ten years. The Buhsher power plant will be Iran’s first and only such device, if and when it begins operation. The contract for the plant in effect requires use of Russian fuel. Iran cannot build power reactors on its own. Future foreign-suppliers of reactors would also be likely to insist on supplying fuel, directly or with partners. Thus there is no feasible need for Iran to produce its own nuclear fuel unless and until Iran is constructing its own reactors -- a prospect many years in the future -- or international contractors and substitute suppliers withdraw from the market.

Allowing Iran to operate a pilot-scale enrichment plant is a truly bad idea. It would give Iranian engineers all the opportunity they need to master this technology. Once this is done, Iran has jumped the major hurdle on the route to acquiring nuclear weapons, a prospect that should be disallowed when a state is non-compliant with UN Security Council resolutions and IAEA obligations.

Proponents of pilot-scale enrichment as the least-bad option assume that Iran does not and will not have secret facilities to conduct enrichment beyond the declared pilot facility that would be heavily monitored. Iran’s failure after three years to give the IAEA an adequate explanation of what happened with the advanced centrifuge designs that Iran purchased from illicit Pakistani

brokers indicates that, at least in the past, undeclared actors and facilities have operated in the nuclear program. Still, proponents of the pilot-scale option argue plausibly that there is no proof that Iran now has secret facilities. Because Iran seems willing to create a major crisis and limit the International Atomic Energy Agency's inspectors if pilot-scale enrichment is not allowed, the hope is that giving Iran what it wants will motivate Tehran to allow intrusive inspections that will in turn deter any effort to use secret facilities to apply the knowledge gained in the pilot-scale plant.

Unfortunately, an internationally endorsed pilot-scale plant reduces the odds of detecting secret activities in several ways. If inspectors or spies detect suspicious procurement of parts or communications or other evidence related to enrichment, Iran can argue that the legitimate plant explains it. When no enrichment is allowed, any evidence is decisive; when some enrichment is allowed, all evidence may be ambiguous.

Iran's potential to break out of the nonproliferation treaty and move full-speed to building nuclear weapons would grow greatly once it has mastered enrichment technology. Again, proponents of the pilot-scale fallback recognize this; they just think there is no better alternative.⁵

But the pilot-scale alternative only postpones for a little while the hard dilemmas and dangers posed by Iran's nuclear ambitions. Iran has behaved according to a very clear logic since its major nonproliferation violations were detected in 2002. Indeed, Iran's chief nuclear negotiator from 2003 through 2005, Hasan Rowhani, has explained that Iran's strategy was to suspend only those activities that it was not ready to undertake. Once the engineers were prepared to take a new step in acquiring the capability to produce fissile materials, they took it and essentially dared the international community to stop them. This happened in 2004, in August 2005 with the re-starting of the uranium conversion facility at Isfahan, and in January 2006 with the end of suspension of uranium enrichment.

Iran's behavior and articulated strategy warn clearly that once it has mastered pilot-scale enrichment it will seek to do more, and will break any agreement to the contrary. A new crisis would then emerge, with Iran much closer to having the capability to make bomb fuel than it is today. There is no evidence that Iranian leaders are prepared to make a strategic decision not to acquire the capability to make nuclear weapons. The pilot-scale option enables Tehran to avoid this decision and proceed as it wishes, breaking and renegotiating constraints at each stage when Iran's technicians are ready to do so.

The international community should recognize that this "compromise" would not resolve the underlying problem of Iran's unresolved non-compliance with IAEA obligations. The Iranian dossier will remain open as long as the IAEA still does not receive adequate explanations for Iran's past activities and acquisitions, which make it impossible to certify that the nuclear program has been operated solely for peaceful purposes. If Iran continues its enrichment program with international assent, Tehran would have no incentive to help resolve the IAEA's doubts, and the international community would appear

⁵ The International Crisis Group, "Iran: Is There a Way Out of the Nuclear Impasse?», 23 February 2006, pp. 24-26.

unwilling to bear the trouble of upholding nonproliferation rules in a case of the highest profile and importance.

Finally, if Iran continues to enrich uranium – with or without the agreement of international negotiators – it would be absurd for the European Union, the United States and anyone else to keep on the table the offers they have made to augment nuclear cooperation, trade, and political reconciliation with Tehran. Some commentators (and perhaps negotiators) seem to assume that a sensible compromise will entail Iran limiting itself to pilot-scale enrichment under close monitoring in return for the incentive package. But why should Iran get any additional reward for refusing to meet reasonable international demands, developing the dual-use fuel production capacity it seeks, and keeping its dossier with the IAEA unresolved? Iran should be told that if it wants to enrich uranium so badly, that should be its own reward. All of the additional nuclear cooperation, trade and political incentives should be taken off the table if and when Iran has mastered operations of a centrifuge cascade. Iran should be informed that all of its nuclear activities must be maintained under safeguards as a part of proving the peaceful nature of its nuclear program to the IAEA and the UN Security Council but the international community is not going to “pay” Iran for this. Iran may threaten to leave the NPT, but the UN Security Council should remind it that customary international law bars a state from withdrawing from a treaty to escape the consequences of having violated it beforehand. Given Iran’s ongoing non-compliance with IAEA rules and a binding Security Council resolution, attempted withdrawal from the NPT would clearly fit the Security Council’s description of proliferation as a “threat to international peace and security.”

2. Continued Pressure and Incremental Sanctions Through the UN Security Council

The UN Security Council is the designated authority to which cases of non-compliance with safeguards requirements are to be reported, and is widely perceived to be the most legitimate enforcer of the NPT. Its imprimatur does not guarantee that rule breakers will comply with its resolutions, but enforcement of rules without the Security Council's support, or that of a regional body in the area involved, is difficult to sustain.

When a state like Iran defies the Security Council, as it has been doing explicitly since July 31, 2006, the Council can accept defeat and allow the dangerous behavior in question to continue and the Council's credibility plummet, or it can adopt various forms of sanctions or even authorize military action to compel the state to comply. Problems that are grave enough to require Security Council action generally are not resolved in one step; often a progression of political statements and sanctions of increasing intensity occurs. The more powerful the non-compliant state is, the more cautiously the Security Council acts.

Iran in 2003, and to some extent still in 2006, expressed a strong desire to avoid the national humiliation of being judged by the Security Council. But over time, Iranian leaders have concluded that the Security Council is divided and will not take strong actions against Iran, and as situations in Iraq, Afghanistan, Lebanon and international oil markets evolve, the major powers will be more afraid of Iran than Iran should be of them. A dangerous circular process has developed: aggressive Iranian leaders pursue a strategy of brazen non-compliance with international demands, hoping that international actors will back down; international actors appear intimidated and do not respond to a series of defiant acts; the aggressive leadership claims success and silences internal opponents that seek greater cooperation with the international community, and acts still more boldly; the international community reports the problem to the divided Security Council, where Russia makes clear it will not support strong enforcement measures; the aggressive Iranian leadership reaffirms the effectiveness of its strategy and concludes it cannot be stopped. Given the veto-power held by the five permanent members of the Security Council, a non-compliant state can resist enforcement if it is confident that at least one permanent member will block consensus on sanctions and, ultimately, use of force.

Experience from August 2005 through September 2006 suggests that even if the Security Council were united on a strategy of implementing step-by-step incrementally tougher sanctions, Iranian leaders would not alter their determination to master uranium enrichment.⁶ But this does not negate the potential utility of the sanctions/reward strategy; it only reduces its ambition. The point now would be to stop the momentum of Iranian hard-liners and give internationalists an opportunity to recreate a debate on nuclear policy within the Iranian elite. A unified, tough-minded Security Council would raise doubts about the costs versus benefits of racing to enrich uranium and not exploring seriously whether international nuclear fuel supply and cooperation could be guaranteed in ways that would make Iran's leaders hailed as brilliant bargainers. In short, the sanctions and inducement strategy now has the modest appeal of possibly being able to pause Iran's march toward nuclear weapon capability, create a new decision-making dynamic in Tehran, and spare the world the costs of going to war against Iran.

The U.S. and most others would prefer a more clear cut decision by Iran to abandon uranium enrichment altogether. But the Bush Administration has genuinely committed itself to seek a peaceful, diplomatic end to the nuclear crisis and would accept a less-than-permanent suspension of Iranian fuel-cycle activity if Iran would cooperate in using the time to seriously pursue the framework of mutual confidence-building measures envisioned in the European Union's proposals. The Administration's shift reflects the vulnerability of American forces in Iraq, the over-commitment of U.S. military resources, the unpopularity at home and abroad of President Bush, the need for cooperation with Europe on a range of international issues, the rise of State Department influence under Condoleezza Rice and the fall of the Pentagon's power, the waning of neoconservatism, and the belief that there is still time to try diplomacy. The Bush Administration still occasionally emits mixed signals: hyper-hawks associated with Vice President Cheney screech at being tethered to their perch, but diplomatic owls in the U.S. and Europe are being given their chance. Incoming Secretary of Defense Robert Gates reflected the new consensus in his confirmation testimony when he highlighted the dangers of military action against Iran, the fact that Iran, if attacked could make things still worse in Iraq, and the belief that Iran is deterrable if diplomacy fails to keep it from acquiring nuclear weapon capabilities.⁷

Yet, even the modest ambitions of a sanctions/inducements strategy cannot be realized if Russia and China will not lock arms with the United States, France and the United Kingdom. A range of conflicting interests prevents this cooperation. Clearly, Russia and China are concerned about the United States' exceptional power in the international system and welcome opportunities to contain or weaken it. While Russia and China do not welcome nuclear weapon proliferation, they also recognize that nuclear weapons are perhaps the only way that other players can deter or contain the United States from projecting its great conventional military power. If North Korean or Iranian nuclear weapon

⁶ As discussed above, Iranian leaders would accept limiting their enrichment activities to a research and development scale, but this would not allay proliferation concerns or resolve Iran's non-compliance, and in any case would not require major threats of sanctions or rewards to obtain.

⁷ *New York Times*, December 7, 2006.

capabilities complicate the freedom of U.S. power projection, Russia and China may not see this as entirely bad.

Russia's and China's geostrategic logic can be seen as they have cooperated in developing the Shanghai Cooperation Organization. Both sought to reverse the United States' penetration into Central Asia after September 11, 2001. Both see themselves competing with the U.S. over influence in the periphery of Eurasia. Russia invited Iran to be an observer to the Shanghai Cooperation Organization, and at the height of the Security Council's deliberations on the Iranian nuclear case in June 2006, Russia and China welcomed Iran's president Ahmadinejad to address the SCO's tenth anniversary meeting in Shanghai. Iraq was the last bastion of Soviet/Russian influence and major business in the Middle East. The U.S. has completely supplanted Russia from the region. Now Iran offers Russia re-entry and is a bigger, richer and better-located partner than Egypt, Syria, and Iraq was earlier. Nuclear cooperation, arms sales, and non-interference in internal affairs such as Chechnya make it worthwhile for Moscow not to antagonize Tehran. In other words, Iran can be useful, especially to Russia, in balancing U.S. power and influence in the Middle East and Central Asia.

Russia is particularly tempted to see cooperation in the Iran case as a lever to exert against U.S. interference in other issues of greater concern to Moscow. As the U.S. (and France and the United Kingdom) urged Moscow in October to take a tougher stance on Iran, President Putin was focused on a heightened dispute with Georgia. Georgia's leadership in turn beseeched the U.S. and Europe to stand up for democracy, human rights and other Western norms which the Georgian leadership embraces. This dispute has wider implications, as Georgia has sought eventual membership in NATO, to which the Bush Administration has been receptive. Georgia is such a high priority to Putin that it is difficult to imagine he would not see Russia's position on Iran as a way to affect Washington's position on Georgia. Yet, the Bush Administration seems not to see and bargain on the basis of such connections - not that this would be appealing: Russia's widespread and growing violation of Western norms raises the moral costs of Realpolitik bargaining with it.

The non-democratic governments of Russia and China also resent American democracy promotion efforts. If the U.S. wants to use UN Security Council sanctions as a means to coerce regime change, then Russia and China will resist as a matter of direct interest and to prevent the precedent for sanctions that could someday be sought against them.⁸ In this sense, the United States' grand strategy of promoting democratization around the world, through regime change if necessary, clashes with the interest in persuading Russia and China to support sanctions to alter Iran's nuclear behavior. Indeed, China long has displayed a general aversion to sanctions, which in turn have long been a tool by which the U.S. and Europe have tried to promote Western values and norms.

Taking together all of the aforementioned considerations, it seems that a closely cooperating Security Council could mount incremental sanctions to foster a more careful debate and cautious policy in Tehran. This could provide

⁸ Moscow and Beijing could veto sanctions against themselves, of course, but even the idea that the West would discuss or threaten sanctions against them is an affront and embarrassment to be avoided.

time for genuine negotiations, including with the United States' direct involvement, before Iran has mastered uranium enrichment. While these modest objectives are worth seeking, their realization is doubtful because the interests of Russia and China are difficult to reconcile with those of the U.S. and to a lesser extent France and the United Kingdom.

3. Military Strikes

Between 2003 and the beginning of 2006, many informed observers believed that diplomacy – positive incentives and threat of sanction – would succeed in persuading Iran to rely on international nuclear fuel services if the Bush Administration could convince the Iranian leadership that Washington was prepared to live with it and forego seeking regime change. By the end of 2006, the hardening of Iranian militancy has led many observers to believe that diplomacy will not work unless Iranian leaders believe that the U.S. has a viable military strategy to destroy Iran’s nuclear infrastructure and government power centers. A viable military option would strongly buttress the preferred diplomatic strategy. In late 2002 and early 2003, when Iranian leaders feared U.S. military power, they did pursue accommodation. They froze their nuclear program and sought secret talks with Washington. But then Iraq turned into a fiasco for the U.S., and oil prices rose, and anti-Americanism spread, and Ahmadinejad’s defiance gained Sunni support, and the Lebanon war further demystified Israeli military power. The core of Iran’s leadership either does not think America or Israel will launch military strikes, or else that leadership believes that such strikes will not threaten its hold on power. The reluctance of Russia and China to support tough economic sanctions indicates that these two Security Council members would be even more opposed to military action, which raises Iran’s confidence that the U.S. would be portrayed as the global villain and Iran would be treated as a victim. (Russia could calculate that withholding support of tough sanctions will encourage the Iranians to proceed with their suspect nuclear activities and compel the U.S., ultimately, to launch military strikes. Iran would not blame Russia for this, and Russia could gain good will and new arms supply contracts to Iran, while the U.S. would be further despised internationally. Oil prices would rise, giving Russia a further windfall. Russia doesn’t particularly like the Iranian regime, but would benefit whether or not that regime were weakened or strengthened.)

American and Israeli leaders (with only a few exceptions) understand these considerations and would try almost anything to avoid resorting to military strikes. They look for authoritative signs that Iranian leaders are interested in a bargain by which Iran would forego uranium enrichment for a substantial period of time. Paradoxically, and perhaps tragically, doubts about the viability of military alternatives make the Iranians act like they don’t need to make a deal. This, in turn, increases the probability that Bush Administration

officials will conclude in coming years that nothing short of military action will significantly slow Iran's acquisition of nuclear weapon capabilities. However, this prognostication does not diminish the sincerity of the Administration's desire to diplomatically persuade the Iranian regime to change its behavior and resolve the nuclear crisis peacefully.

The American and international press have widely discussed possible scenarios for military attacks on Iran, and the series of counter-measures Iran would take directly and via its proxies in Iraq, Lebanon, the Palestinian territories, and elsewhere. Some experts extol the feasibility and necessity of military action; some seek to demonstrate that the U.S., Israel and the world would be worse off as a result of a war against Iran⁹ – that the U.S. can destroy the known nuclear facilities in Iran, but this will not prevent Iran from dedicating itself to nuclear weapons production in hidden facilities, and the war sparked by the initial strikes would make the U.S., Israel and the world worse off.

This essay needs not repeat these discussions pro and con. It merely points readers to exemplary recent discussions of both positions.

The former CIA officer, Reuel Marc Gerecht wrote one of the best discussions of the expected consequences of a military campaign to seriously degrade Iran's nuclear capabilities, in the April 24, 2006 issue of *The Weekly Standard*. Gerecht's forthright analysis concludes that "bombing the nuclear facilities once would mean we were declaring war on the clerical regime...we'd have to strike until they stopped.... All of this would probably transpire over many years, perhaps a decade or more." [p. 23]. Despite the long war that he anticipates would follow strikes on Iran's nuclear installations and assorted other military targets, Gerecht believes the risk of allowing Iran's ruling clerics to possess nuclear weapons is greater.

Retired U.S. Air Force Colonel, Sam Gardiner, an experienced conductor of military war games, argues in "The End of The 'Summer of Diplomacy': Assessing U.S. Military Options on Iran," [A Century Foundation Report, www.tcf.org] that the most probable military scenario will "be unlikely to yield any of the results that American policymakers *do* want, and...would be highly likely to yield results that they *do not*." [p.3]

What is interesting about the discussions of military options is that proponents and opponents do not differ much in their assessments of the great ill effects and costs that would ensue. Everyone acknowledges the real limitations of intelligence on what to hit and how to measure success. Everyone believes that U.S. and/or Israeli attacks would inflame Iranian nationalism and support of the government, at least in the near term, and certainly would not engender more benign attitudes toward the U.S. and/or Israel. A wider-scale bombing campaign against Revolutionary Guard and other institutions associated with state repression would make the imprecision of intelligence on particular nuclear installations seem less important, but many more people would be harmed, further undermining the legitimacy, and therefore the ultimate political outcome of such a war in eyes of Iranians, the

⁹ A good summary of various American experts' views on the military option against Iran appears in "How Experts View a Strike Against Iran", *San Francisco Chronicle*, 1 October 2006, at <http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2006/10/01/ING9ULB4QI1.DTL>.

international community and many Americans. The main difference between proponents and opponents of military attacks is the degree and nature of risk they are prepared to run. Proponents of attack have almost zero tolerance for the risk of living with an Iran that could build nuclear weapons; they have high tolerance for the risks of a war that would in no way guarantee destruction of Iran's nuclear capabilities. Opponents believe the risks of an Iran with nuclear weapons capability can be made tolerably low by strategies of containment and deterrence¹⁰ and these risks will not be as great as those unleashed by launching war against Iran.

No way exists to forecast conclusively which side is correct in their assessments of military options. The Washington foreign policy establishment gives the impression that a large majority believes military action against Iran is not worth the risk. A small minority believes the gamble should be made. All say that this is an issue that President Bush will personally drive and only after all other options have been truly exhausted.

¹⁰ Posen Barry, "We Can Live with a Nuclear Iran", *New York Times*, 27 February 2006.

4. Foster Regime Change in Iran

The Iranian people and the world would be much better off if a more democratic, just, efficient, and internationalist government reigned in Iran. A few scholars, journalists and officials in the United States argue that the U.S. (and others) can and should hasten the fall of the clerical regime in Iran *and* that such a strategy is the best option for dealing with the Iranian nuclear danger.¹¹ (I am aware of no non-Americans who think this is a viable strategy). Some proponents of regime change concede that a successor regime in Iran might refuse to abandon uranium enrichment (or nuclear weapons), but they argue that the presumed non-clerical nature of such a regime would alleviate the nuclear threat.

The potency of the regime-change argument declines with each day of additional trouble in Iraq. If Iraq is what happens when the U.S. forces regime change, then the U.S. should get a different strategy, in the view of most Washington observers today. Still, it is worthwhile to highlight some general problems with this approach.

Peaceful regime change cannot be relied upon to produce new leaders quickly enough to turn off nuclear weapons acquisition programs. Generally, it takes countries less time to acquire the capabilities to build nuclear weapons than to reform governments and implement genuine democracy. In Iran, for example, even democrats do not foresee major political reform happening this decade. But Iran is highly likely to master the uranium enrichment process in this time if its current government is not induced to change course.

Eliminating non-democratic regimes can create its own great dangers. Iraq is the most recent example, and the only case where regime change was executed explicitly as a nonproliferation measure. Jack Snyder and Edward D. Mansfield have documented that governmental transitions often lead to military conflict. Toppling the government of Iran would unleash intelligence services, basij morality enforcers, Revolutionary Guards, and the violent Mujahedin-i-Khalq underground opposition into bloody conflict offering no confidence that peaceful liberal elements of Iranian society would prevail.

Rather than solve the proliferation problem, a regime change strategy intensifies hostile regimes' interests in deterring U.S. power projection. Governments such as North Korea and Iran that fear the U.S. may attack or otherwise seek to topple them are tempted to conclude that acquiring nuclear

¹¹ Some supporters advocate violent regime change through force: Muravchik, Joshua, "Confronting Iran: Force Is the Only Answer; Diplomacy Has Done Nothing to End Tehran's Nuclear Threat", *The Los Angeles Times*, 19 November 2006. Others support U.S. influence in an Iranian revolution: Leeden, Michael A., "United States Policy Toward Iran: Next Steps." Testimony to the Committee on International Relations, House of Representatives. 8 March 2006, at http://www.aei.org/publications/filter.all.pubID.24022/pub_detail.asp.

weapons is necessary in order to deter Washington. A realistic strategy would seek to reassure Tehran (and Pyongyang) that if they changed the behavior that violates international norms and rules, the U.S. will respect these governments' sovereign authority and undertake no coercive action against them or their territory.

The proliferation consequences of Iranian fuel-cycle capability would not necessarily be contained by regime change. Even if the U.S. and other outside actors could speed the fall of the clerical government in Iran (highly unlikely), and a benign government respectful of human rights replaced it (unknowable), the new government could insist on retaining an indigenous fuel-cycle program. Iran's neighbors, particularly Egypt, Saudi Arabia and Turkey, would evaluate the Iranian nation's capabilities more than a new regime's intentions. Regimes come and go, but nuclear capabilities tend to persist - this is not to deny that containing further proliferation would be easier with a less militant Iranian government.

The prospect that the United States might pursue a regime change strategy also undermines the preferred Security Council diplomatic strategy, as noted above. Russia and China, for their own reasons, dislike Washington's ambition to topple anti-Western governments and install democracies. They resist mandatory UN sanctions in part to block such a strategy, which in turn frustrates France, the United Kingdom and others who are merely trying to alter Iran's threatening behavior, not overthrow the regime. The net effect is that the threat of regime change deters enforcers of nonproliferation rules rather than violators.

5. Deter and Contain

Whether or not Iran can be persuaded to negotiate a suspension of its nuclear fuel production program long enough to build international confidence, Iran's hegemonic ambitions need to be reconciled with the interests of its neighbors and the broader international community. The United States and the defense and foreign ministries in Europe, the Middle East, and Asia should move now to develop operational plans for containing and deterring a nuclear-armed Iran. Planning now to prevent the export of violence and subversion from Iran would have the double benefit of putting muscle into the United Nations Security Council's effort to dissuade Iran from acquiring nuclear weapons capability.

Iranians must perceive that their country's prestige and security will be reduced, not increased, by acquiring nuclear weapon capability. Creating this perception will not be easy, as Iran has been emboldened by Hizbollah's perceived success in contesting Israeli power.

The first step is to convince Iran's constitutional leaders that their sovereignty and security will not be threatened if they desist from supporting or conducting violence outside their borders. The Iranian regime must know that it does not need nuclear weapons or proxy war for its survival; its survival is best guaranteed by not fighting. It also must be shown that nuclear weapons would not maximize its regional influence, but, on the contrary, would bring about containment and counter-balancing. The incentive package that France, Germany, the United Kingdom and the U.S., Russia and China have offered to negotiate contains most of what is necessary to show Iran it will live better without producing fissile materials. What it lacks is an unmistakably clear U.S. commitment to live with the constitutional government in Tehran, even as the U.S. competes with it politically and morally.

If Washington respects the sovereignty of Iran's government and that government still refuses to implement UN Resolution 1696 and negotiate terms for conducting an exclusively civilian nuclear program, then Iran must be convinced it will suffer greatly for threatening its neighbors and Israel, directly or by proxy. The message must be: "with or without nuclear weapons, your territory and sovereignty will not be threatened as long as you do not act aggressively beyond your borders. But the United States and other major powers will work more closely than ever with your neighbors to monitor your activities and establish capabilities to respond forcefully and immediately to terrorism, subversion, or war that you visit on others. If you have nuclear weapons, we have no margin of error in tolerating your export of violence."

The practical threat is that Iranian Revolutionary Guards and other militant actors would intensify attacks by Hizbollah, Islamic Jihad, Hamas, and

Iran's own agents against Israeli and American targets, and rely on nuclear weapons to deter major counter-attacks against Iran. Iran's collective leadership – and the Persian nation -- did not get to be old by being suicidal. President Ahmadinejad is young and zealous, but not in charge. Iran will test the limits of subversion, low-intensity conflict and terrorism, while seeking to avoid starting a nuclear war with the U.S. or Israel.

Historical precedents can help prepare for this threat. In the 1960s when revolutionary Maoist China acquired nuclear weapons innovative diplomacy and strategies of containment managed to avoid disaster and even lead to decades of mutual prosperity.

Iran's neighbors will be torn between accommodating Iran's rising power and seeking greater U.S. security cooperation. Arab governments will not want to provoke Tehran and their own anti-American populations. The present moment when Iran's nuclear capabilities remain in doubt must be seized to discreetly develop cooperative strategies to contain Iran's capacity to project power and influence.

A priority will be improved intelligence gathering and monitoring of Iranian activities, which can be done without alerting wider populations. This is needed to clarify when Iran is conducting or supporting aggression outside of its borders, and to identify perpetrators and relevant targets for retaliation. Retaliation would best be done covertly, as covertness simultaneously garners respect from Iran's own purveyors of violence and reduces pressures for escalation that often ensue when overt threats are made. Indeed, the U.S. and friendly regional states must place the highest priority on extending deterrence *down* the escalatory ladder by improving capabilities and dispositions to apply small-scale, precisely-targeted actions against Iranian agents who do the same, including not just the use of force but also financial coercion. In the political drama of neo-revolutionary Iran's bid to rally anti-American and anti-Israeli public sentiment, the United States' nuclear weapons, aircraft carriers, and Army divisions are disadvantageous to the extent that they reinforce the narrative of a big, colonial bully trying to dominate less powerful Muslims. Quiet, small-scale retaliation and understated diplomacy will be more effective.

Iranian officials today bristle at American intelligence gathering and networking around their borders and amongst their restive minority communities. They allege these are signs of a U.S. regime-change strategy that, implicitly, justifies Iran's need of nuclear-weapon capability. The U.S. must refute this rationale and clarify blandly that as long as Iran is acting aggressively and seeks or possesses nuclear weapons, the international community has no choice but to gather intelligence vigorously.

Similarly, as long as Iran is developing ballistic missiles configured to carry nuclear weapons, the U.S. and Iran's neighbors (and perhaps NATO) are justified in deploying theater ballistic missile defenses. Again, cooperation in deploying such defenses should be as secret as possible to reduce political controversy. The U.S. should develop plans and capabilities for air strikes to destroy Iranian missiles on the ground if Iran ever threatens to enter conflicts involving U.S. friends.

NATO, too, can play a role in moderating Iranian behavior and bolstering the security of its neighbors. Most importantly, NATO should reaffirm its commitments to protect Turkey's security by all means. Given sensitive

domestic politics within Turkey, Turkish leaders should largely determine the public profile of NATO-Turkish dialogue and cooperation, but NATO leaders should make it a priority to convey their support to Turkish leaders. While NATO's "hard power" role should be augmented, NATO and the EU also can convey much through "soft power." They should support Turkish universities, think tanks, newspaper groups and others that might wish to conduct expert meetings with Europeans (and other regional actors) to discuss regional security policies, including relations with Iran. Again, Turkish organizations should frame and set the tone for such discussions, mindful of domestic sensibilities and interests in not provoking Iran.

The UN Security Council also should specify that any state violating Security Council Resolution 1540's prohibition on transferring nuclear weapons to terrorists will be deemed a threat to international peace and security under Chapter VII of the UN Charter, which would provide authority for conventional military reprisals. In light of Iran's ongoing defiance of Security Council demands regarding its nuclear activities, there is no justifiable excuse not to send such a warning to Iran and others in case they break their treaty obligations not to acquire nuclear weapons.

Iranian leaders wish to perpetuate their rule, not sacrifice it. Since their illicit nuclear activities were discovered in 2002 they have acted cautiously when the major powers stood resolutely together. When resistance has been weak, Iran has acted aggressively. It is not too early to build a framework for deterring Iran from acting outside its borders. Closer transatlantic cooperation in detailing a deterrence and containment strategy need not convey lack of commitment to stopping Iran's acquisition of nuclear-weapon fuel-making capability; rather it would enhance this strategy.

Conclusion

It would be a grave and unnecessary mistake to accept uranium enrichment on Iranian soil before Iran has resolved outstanding IAEA questions and built confidence that its nuclear activities are entirely for peaceful purposes. Making such a deal now would not resolve the outstanding compliance problem nor the insecurities that Iran's activities cause. The international community certainly should not provide Iran any benefits for such a false "compromise."

The best option is a negotiated agreement whereby Iran relies on international supplies and foregoes enrichment until the IAEA dossier is closed and confidence in Iran's peaceful intentions is restored. To realize this option, the U.S. must be much more involved in diplomacy with Iran. Washington must clarify through every means and channel possible that it will not act to topple the Iranian regime and will not attack Iran if it does not attack other countries directly or through proxies. The Bush Administration has in practice moved to this position, but has not yet convinced much of the world, including Tehran, that this is the case.

To enable the preferred diplomatic strategy to succeed through the Security Council, Russia and China must become more willing to bear some costs for enforcing international nonproliferation rules which is the Council's solemn responsibility. This, in turn, requires more thorough and clear understanding between the highest leaders of the U.S., Russia and China regarding the multiple and sometimes conflicting interests they have in relationship to each other. The U.S. should clarify that it seeks behavior change, not regime change in Iran, and that it understands the potentially huge costs of military action. At the same time, Washington should privately communicate that if Moscow sees the Iran crisis as a way to undermine U.S. power, Washington will respond accordingly.

All parties – the U.S., Europe, Russia, China, and Iran's neighbors – should recognize their interests in fostering collaborations to deter and contain possible Iranian efforts to export violence or subversion outside its borders. Intelligence communities, diplomats, think-tanks and others should mobilize now to promote cooperative planning of policies that will welcome Iran as a benign major power in the Middle East but will contain its influence if it is malign. The Iranian challenge is becoming broad and deep; occasional meetings of foreign ministry political directors are insufficient to prepare the international community to protect itself if an aggressive minority within Iran decides to pursue a revolutionary agenda outside its borders.