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AVOIDING A BAD NUCLEAR DEAL WITH IRAN

Parameters of an acceptable deal

Recent indications from the P5+1 (the U.S., United Kingdom, France, Germany, Russia and China) negotiations with Iran over their nuclear program imply a complete comprehensive agreement is unlikely by the self-imposed deadline of November 24. Very significant obstacles appear to remain on limiting Iranian uranium enrichment capacity, sequencing of any sanctions removal, the duration of a new monitoring regime and compliance with outstanding concerns of the International Atomic Energy Association about the possible military dimensions of Iran's program. Most likely we will see another extension of the talks, possibly with a revised framework for an eventual agreement based on the Joint Plan of Action (JPA) signed in Geneva in November 2013.

However, both sides have also signaled that they are very keen to reach a deal, so we may yet witness a successful last-minute effort to reach a solution. Under these circumstances, such an achievement would justifiably raise questions whether reaching an agreement in itself is taking precedence over the P5+1's objective to prevent an Iranian nuclear weapon. This would be a recipe for a bad deal.

So what would be a good agreement, one that is truly in the U.S.' and our allies' interests? At the core, the parameters of an acceptable deal are quite simple: a reasonably verifiable regime administered by the IAEA that ensures Iran cannot pursue a nuclear weapon, with a clear mechanism to re-impose sanctions for non-compliance. Breaking it down further, here are the main components of a final agreement the U.S. should be insisting on.

- Extending the amount of time Iran would need to produce weapons-grade uranium with existing stockpiles sufficient for one nuclear bomb (i.e. breakout) to 6-12 months. With Iran's existing technology, this has arguably meant reducing (dismantling, not unplugging) the number of Iran's existing centrifuges to at least below 5,000, and ideally below 2,000, from their current approximately 19,000 installed. But given Iran's centrifuge efficiency will improve as its infrastructure modernizes, we likely need to think in different metrics to ensure sufficient warning time for a breakout.
- Existing stockpiles of enriched uranium, especially those at 20 percent enrichment as well as natural uranium, need to be further reduced and capped.
- Ensuring Iran has addressed all of the IAEA's concerns about the possible military dimensions of its nuclear program before lifting all of the nuclear-related sanctions.
- Guaranteeing Iran's plutonium pathway to a nuclear bomb is not feasible.

- Maintaining and enforcing measures to block Iran's illicit acquisition of nuclear and missile delivery technologies.
- Ensuring monitoring and compliance regimes for a final agreement are robust and have a long duration, ideally for 15-20 years.
- Preventing nuclear-related sanctions relief from undermining terrorism and human rights related sanctions on Iran.
- Confirming to the greatest degree possible that these restrictions on the Iranian nuclear program are not easily reversible.

Thinking through Iran's Calculus

All of these objectives should be easily achievable and preserve a civilian nuclear program more than adequate for Iran's energy, medical and research needs *if* Tehran is sincere that it has no intention to pursue a nuclear weapon. However, the Islamic Republic has continued to blatantly resist the IAEA's efforts to bring the regime into full compliance with United Nations resolutions and address substantial questions about the program's likely weapons research related activities.

The U.S.' greatest concern during the negotiations should be that Tehran has not actually changed its core nuclear program policies. Certainly since the election of President Hassan Rouhani last year, the regime has demonstrated its desire to find a way out from under the economically crippling sanctions and de-escalate the confrontation with the West over the nuclear issue. Iran has made the strategic decision to seriously talk to the U.S. The regime has not made the strategic decision to normalize its nuclear effort to reflect what a purely civilian program would look like. Otherwise, for example, rather than stonewalling the IAEA, Tehran would be welcoming the agency's inspectors to visit the Parchin Military Complex outside Tehran and other sites widely suspected of nuclear weapons related research.

This is also why there are few, if any, useful analogies in these negotiations to earlier diplomatic resolutions with countries like Libya and South Africa about their nuclear programs. In these two instances, the respective regimes had made clear breaks in their national policies. This is not the case with Iran. The Supreme Leader and the rest of the leadership have made it very clear that the regime will not fundamentally reverse the achievements of Iran's program, that they will be a nuclear state and that they will continue to advance their technological capabilities.

It is also useful to consider why Iran decided to come to the table in the first place as we evaluate potential next steps in the process and anticipate Tehran's next moves, whether there is a good deal, a bad one or none at all. Though President Rouhani's 2013 campaign platform was largely based on seeking a less confrontational relationship with the West and getting relief from economic sanctions, it surprised many observers that the Supreme Leader largely agreed with Rouhani on need for direct talks with the U.S. Why was Khamenei ready to seriously engage the West?

There are many reasons for Khamenei's support for talks: first, the stronger economic pressures resulting from the harsh sanctions imposed a year earlier (the European oil embargo for example). Second, Khamenei and Rouhani had a long association over the management of Iran's nuclear program. The Supreme Leader had learned to trust the new president and had faith in him as a negotiator. Third,

Iran had realized long before the breakout of ISIS that rising Sunni extremism and the deepening sectarian conflict emanating from Syria were becoming an even greater threat to its regime than the need for a potential nuclear deterrent against the United States and Israel (nuclear weapons are unlikely to be useful in fighting extremist groups like ISIS and al Qaeda for example) and would require greater focus and resources. Fourth, the Iranian leadership perceived President Obama's strong desire to break the impasse on the nuclear program, including moving away from demands for zero uranium enrichment. Fifth, the relative strategic value of a possible nuclear weapon was declining for Iran as its conventional deterrence capabilities improved, especially as Iran's maritime defenses and ballistic missiles were enhanced and upgraded. Finally, and perhaps most importantly for the nuclear negotiations, Iran's nuclear program had finally reached a level of technical competency that could no longer be reversed.

As a result of these factors, Iran found itself with negotiating room. As long as the Islamic Republic is able to produce easily and rapidly more highly enriched uranium, it can give up some of its supply with relative ease.

This is also why the negotiations continue to hit major obstacles. Real reversals in the nuclear program's capability to produce enriched uranium would undermine one of the main motives of the Iranian regime to engage in talks. But reducing Iran's capability to produce enriched uranium is exactly what the U.S. and other P5+1 countries have been seeking as the best way to ensure Iran cannot breakout undetected.

When the talks under the JPA hit their initial July 20 deadline, the decision to extend negotiations into November was easy for Iran. All the incentives remained in place for Iran to work toward a deal and the Supreme Leader has continued to express his support for Rouhani's efforts. Above all, Tehran didn't want to go backwards in the process and face the return of full sanctions.

In fact, we are arguably seeing increasing anxiousness on the part of the Iranians to get a deal since July, even if real concessions have not materialized from Tehran. Perhaps the recent substantial drop in oil prices may have convinced Rouhani and the senior leadership that their critical domestic economic reform programs are in potential serious jeopardy and that sanctions relief must happen soon. That is not to mention the conflict with ISIS, which is bleeding valuable Iranian resources. Even fears of the Israelis starting a covert campaign against Iran's nuclear facilities may have spooked the regime's leadership.

As we approach the next deadline on November 24 these factors and incentives are the reason why, from Tehran's perspective, another interim agreement or extension is the most likely near term outcome.

Dangers of a bad deal

What if we get a bad deal, one that removes the most important sanctions but does not extend Iran's breakout scenario to at least six months, that does not address the possible military dimensions of Iran's nuclear work, that does not allow for rigorous monitoring and transparency, that places only short

duration constraints that are easily reversible, and that unravels sanctions against Iran's support for terrorism and gross human rights violations as well?

Most critically, a bad deal leaves everyone in the region uncertain about Iran's intentions and potential nuclear weapons capabilities. Our commitment to effectively detect, respond and deter Tehran should they secretly pursue a nuclear weapon will also be more suspect to our partners. Uncertainty and insecurity will breed potentially dangerous decisions by our allies, including the pursuit of nuclear weapons by Saudi Arabia and Turkey or new security relationships that could oppose our interests, such as the Gulf States making strategic accommodation with Iran.

A bad deal will also leave Iran flush with cash to pursue its objectives in Iraq, the Levant, Yemen, Afghanistan, Africa and elsewhere, objectives which in the long-term almost always oppose ours. We will have much reduced leverage to push back.

In the worst case scenario, we could to eventually face a nuclear Iran, for whom classic containment and deterrence approaches are unlikely to be effective.

Policy implications

Aside from ensuring the United States actually gets a good deal, how can the U.S. administration and Congress avoid a bad deal? We should:

- Recognize Iran needs this deal more than we do and act like it. Western negotiators should be playing tough, understanding that they, rather than the Iranians, have had the stronger position all along.
- Communicate clearly that any deal containing significant suspension or removal of sanctions should have 'snap back' penalties if Iran violates the agreement. The U.S. should reinforce Iran's fears of returning to the status quo ante, prior to the JPA, with full sanctions and even the military option on the table.
- Congress and the Administration should have a thorough, even public discussion on what sanctions will remain on Iran if a nuclear deal is fully implemented. In particular, too liberal relief of the nuclear-related financial sanctions could provide an unwanted boon to the Islamic Revolutionary Guard Corps and Quds Force. Congress and the Administration should also reinforce that any relaxing of sanctions against Iran for its support for terrorism and gross human rights violations are dependent on separate measurable changes in those behaviors and will not be connected to a potential nuclear deal.
- We must diligently reassure our allies that we are committed to preventing Iran from getting a nuclear weapon lest we trigger a dangerous realignment of security relationships in the region and a potential nuclear arms race.
- Work to ensure our diplomatic missions, foreign partners and intelligence community will be able to provide a robust monitoring capability if a new agreement is implemented. Verification is the only way this works.

Finally U.S. policymakers and negotiators need to have a very sober understanding that Iran is only demonstrating it wants to de-escalate its confrontation with the West by coming to the table over the nuclear issue and engage tactically with the U.S. on issues like the Islamic State because it benefits Tehran's own near-term interests. Iran has shown no signs of an actual strategic shift in its core ideology to oppose U.S. interests in the region. President Rouhani is still a creature of the Islamic Republic and, so far at least, pursues policies intended to preserve the regime rather than fundamentally change it. The Revolution is not over.