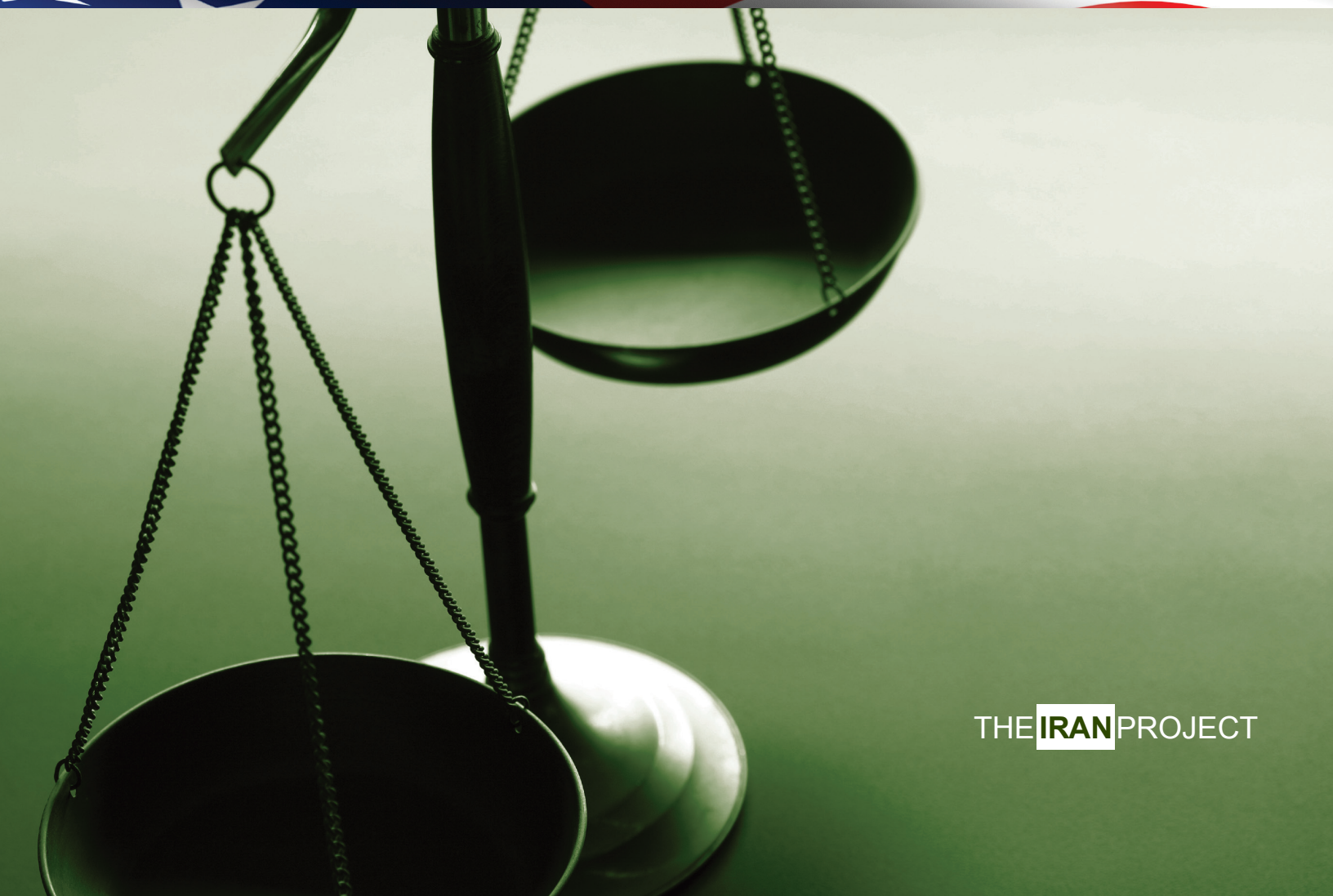




Weighing Concerns and Assurances about a Nuclear Agreement with Iran: A Briefing Book



THE **IRAN** PROJECT

CREDITS

The briefing book was drafted with major contributions from each of the core members of

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Part I:

INTRODUCTION

The purpose of this publication is to encourage a bipartisan discussion about a nuclear agreement with Iran in order to assess whether any of our serious concerns should be deal-breakers. If so, what are the alternatives? To that end, The Iran Project has assembled in this briefing book, *Weighing the Concerns and Assurances About a Nuclear Deal With Iran*, our best analysis of the concerns about the pending Comprehensive Joint Plan of Action on Iran's nuclear program, between Iran and the P5+1 (UN Security Council permanent members China, France, Russia, United Kingdom, and the United States plus Germany), expected to be announced by June 30. We have formatted it as a briefing book not a narrative. Its outline format with bolded subject heads and highlighted sentences for talking points makes it an accessible reference document for policymakers, legislators, staffs, the media, and the public. The overhang of mutual distrust clouds every issue and we do not anticipate that it will pass soon or easily. The reality of that mistrust and mutual ignorance therefore informs our assessment of each of the concerns that we deal with in this briefing book.

CONCERNS. Since the April 2, 2015, announcement of the framework for a comprehensive agreement on Iran's nuclear program, concerns have been raised in the Congress, in the media, and among the public about the big issues. These concerns include: the number of centrifuges Iran will have; why will it have any; inspections; verification; prior possible military dimensions of Iran's nuclear program; Iran's capabilities to build a weapon after the 10–20 years implementation of an agreement; the impact an agreement might have on the future proliferation of nuclear weapons in the Middle East; the potential use of military force against Iran in case it should make a significant breach of the agreement; and how an agreement might change U.S. and Iranian bilateral relations over the near term. In this briefing book we have taken these concerns seriously, provided some assurances on their gravity, and tried, on the basis of the facts, to make an assessment of them. In our assessment of the use of military force in Chapter III, we have addressed the benefits and costs of such action.

NOT ABOUT A SPECIFIC AGREEMENT. We have not tried to deal with the particular provisions or a future agreement since we are, obviously, not familiar with the details. We have sought to avoid speculation as much as possible but we have tried, using our best judgment, to assess future risks and contingencies and relied on our understanding of the framework to do so.

NOT ABOUT SANCTIONS RELIEF. We have also not tried to explain the complex issues related to sanctions relief or suspension, since those issues are still the subject of negotiation. Sanctions relief is likely to be among the most controversial issues in the United States and will be central to the role Congress plays over the near to mid-term in the implementation of an agreement. It will be important for the implementation process to have a clear understanding of what agreement has been reached on the sanctions issues.

We would welcome comments about any aspect of this report and suggestions on how to introduce greater balance into our analysis of this important subject for U.S. national security.

Part II: Weighing Concerns and Assurances about a Nuclear Agreement with Iran.

INTRODUCTION AND CONTENTS

This chapter summarizes the eight major concerns we have encountered most frequently in the debate about a nuclear agreement with Iran. It does not pretend to be an exhaustive list and many critics might frame the concerns differently. In seeking to understand the seriousness of each concern we have assembled a number of assurances and observations that we hope will help put the concerns into perspective. We then provide our assessment or best judgment of the impact the concerns might have on U.S. objectives in these negotiations.

- 1. State of Iran's Nuclear Program**
- 2. The Negotiations**
- 3. Confirm Compliance and Deter Violations**
- 4. Enforcement**
- 5. Iran's Nuclear Past: Possible Military Dimension (PMD)**
- 6. Effects of an Agreement on Proliferation in the Middle East**
- 7. Iran and the case of North Korea**
- 8. The Future of Iran's Nuclear Program: Beyond 15 Years**

1. STATE OF IRAN'S NUCLEAR PROGRAM

Assessing concerns posed by a nuclear agreement with Iran requires a baseline understanding of Iran's past behavior, current nuclear capabilities, and intentions, since these will naturally inform a policymaker's assessment of and tolerance for risk.

1.1 IRAN'S NUCLEAR ACTIVITIES, CAPABILITIES, AND INTENTIONS.

The U.S. Director of National Intelligence (DNI) has repeatedly testified in open session that Iran:

- ▶ **Had a weapons program that started in the late 1990s and was halted in 2003.**¹
- ▶ **Has the basic capability and know-how to make a weapon, but does not have the weapons-grade enriched uranium to build one.**
- ▶ **Has not made a decision to acquire nuclear weapons.**²

1.2 WHAT ARE THE IMPLICATIONS OF THESE FINDINGS FOR A NUCLEAR AGREEMENT WITH IRAN?

The fact that the Islamic Republic once **had an illicit nuclear program reinforces the possibility that it might again consider that option and underlines the importance of verification.** Iran's nuclear weapons capability stems from its scientific and technical know-how, but, without sufficient fissile material, it cannot build one. As the DNI specifically points out, stopping Iran from a bomb is now a political issue in Tehran, and it will require a political solution. Arguably, the most important finding concerns intentions. **The fact that Iran has not yet made once again a decision to pursue nuclear weapons is welcome news. It suggests that an Iranian decision to produce a nuclear weapon would require a change in current Iranian policy, and thus the timing is ripe for an agreement that might have the effect of locking Iran into its non-weapons posture for the foreseeable future.**³

1.3 CONCERNS.

The intelligence community's findings on Iran could be mistaken. The intelligence community has been wrong before, for example, in its assessment of Iraq's weapons of mass destruction intentions and capabilities.

1.4 ASSURANCES.

The intelligence community learned from its past mistakes, and has new and powerful tools. The intelligence failures that contributed to the invasion of Iraq in 2003 led to internal assessments and reforms within the intelligence community. Iran's nuclear file has been a high priority for the intelligence community and it is likely to be for years to come. **It was aware of the Iranian undeclared facilities before they were publicly disclosed, and officials have often characterized their conclusions about Iran as "high confidence"** assessments. In addition, much has changed in intelligence collection and analysis on Iran in the 12 years since the Iraq assessment failures, particularly on the technical side.

1.5 ASSESSMENTS.

The DNI assessments, together with reports from the International Atomic Energy Agency (IAEA), provide the best available information about Iran's activities, capabilities, and intentions. Their findings may have flaws, but the specificity and confidence levels of the assessments are noteworthy and assuring.

2. THE NEGOTIATIONS

2.1 CONCERNS.

Is the U.S. side making too many concessions? Or conversely, are the negotiations being allowed to continue so that the United States can get Iranian help with regional problems (e.g., Islamic State)? Or, are the Iranians inherently better negotiators? Many critics also hold that negotiating with Iranians is a mistake and naive since Iranians are deceitful and will never stick to an agreement.

2.2 ASSURANCES.

The results of the past two years of negotiations have so far been positive and on many key points, better than expected. A negotiating team is best judged by results; so far, results have exceeded expectations. When announced, the Joint Plan of Action (JPOA) was initially criticized by some analysts. Over time it has become widely viewed as stronger than anticipated and its implementation is generally viewed as an unexpected success. Under the terms of the JPOA, Iran agreed not to produce 20% enrichment in return for modest sanctions relief. In particular, the verification and monitoring provisions were expanded in scope and more intrusive than the experts had anticipated. With the announcement of the framework agreement on April 2, **an impressive number of analysts have been surprised at both the level of detail and the robustness of the nonproliferation provisions.**

- ▶ John Brennan, Director of the Central Intelligence Agency (CIA), said that he was “pleasantly surprised that the Iranians have agreed to so much here.”⁴
- ▶ Longtime American skeptics of the negotiations cautiously praised the framework.⁵
- ▶ Some Israeli commentators have offered a similar assessment. Efraim Halevy, the former chief of Mossad, has called the framework “historic,” saying one would have “never believed Iran would ever agree to discuss these issues, let alone agree to each of the clauses.”⁶

2.3 ASSESSMENTS.

How to judge the success of negotiations? The success or failure of negotiations can only be judged by outcomes over time, after a deal is reached. This is true in business as in diplomacy. The many variables and multileveled complexity of these negotiations make it difficult to predict the outcome. But there are at least two tests.

- ▶ **A process of give and take.** Both sides have made proposals to work through difficult areas of dispute. Iran made a late proposal to lower the number of centrifuges it would operate; the P5+1 side (UN Security Council permanent members China, France, Russia, United Kingdom, and the United States plus Germany) agreed that **Fordow could house centrifuges but at one-third the current number and without permission to enrich uranium.** The P5+1 team has benefited from being able to draw on the Department of Energy and the national laboratories for technical advice. Compared to other successful multilateral negotiations of this kind, their pace has been about average: neither especially fast nor slow.⁷
- ▶ **Satisfaction by all sides that major objectives achieved.** The test of a good deal is whether each side can publicly say it met its major needs. So far, the framework has been acclaimed by all participating governments. Each side will have a different narrative of what the agreement entails. Iran's narrative is that it has been treated with respect, that sanctions have been relieved, and that the international community has recognized Iran's rights under the Non-Proliferation Treaty (NPT), including to enrich uranium for civilian purposes. The U.S. narrative will be that the international coalition built a sanctions regime that brought Iran to accept an agreement that closes all paths to an Iranian nuclear weapon and has imposed the most intense monitoring regime ever adopted.

3. CONFIRM COMPLIANCE AND DETER VIOLATIONS

The agreement's verification requirements are designed **to verify** Iran's compliance with its nonproliferation obligations and greatly increase the U.S.' ability to detect and **deter** Iran from considering actions that would violate the agreement. Three concerns are most frequently discussed in this regard: breakout, "sneak out",⁸ and issues to be resolved around Iran's past nuclear weapons activities (prior to 2003). This last issue, the possible military dimensions or PMDs, is treated separately. (See Section 5 below.)

3.1 BACKGROUND.

Verification (detection and deterrence) should not be mixed with issues of enforcement, i.e., how governments will respond to a breach of the agreement. These are separate issues and they are treated separately in this document. **The question considered here is whether the P5+1 and the IAEA can, with the measures in the agreement combined with national technical means, 1) identify violations of the agreement and 2) identify any violations early enough that the United States and others have enough time to respond before Iran is able to accumulate sufficient fissile material to construct a weapon.**

3.2 CONCERNS.

Governments correctly worry about potential Iranian violations since Iran has already violated its NPT obligations during the period before 2003 when it may have been doing research on nuclear weapons

technology and when it failed to notify the IAEA about all of its enrichment facilities in a timely manner. There are also claims that Iran violated the JPOA and observations that the United States has a poor record at stopping proliferation in the past.

3.3 ASSURANCES.

As the DNI has repeatedly pointed out, Iran has not made a decision to pursue nuclear weapons, and so while cheating is certainly a possibility that should be guarded against, it nonetheless would **require a change in Iranian policy.** One must question why a country that could have developed a nuclear weapon any time over the last decade **would now agree to restraints with unprecedented verification and then cheat.**

- ▶ **The claim that Iran violated the JPOA is incorrect.** The IAEA, the sole arbiter of Iranian compliance with the JPOA, has reported openly and thoroughly that Iran has not been found in noncompliance at any point since November 2013 when the agreement went into force.⁹
- ▶ **Iran is the most watched country in the world.** In addition to the intensive IAEA monitoring of all of Iran's declared nuclear facilities, the United States, Russia, Israel, Saudi Arabia, France, and others constantly monitor Iran's activities and most, if not all, will certainly continue to do so after an agreement. The ability to monitor Iran will be even more robust under a comprehensive agreement providing the most complete picture of Iran's nuclear activities ever achieved, including information on the front end of the fuel cycle and on imports and centrifuge fabrication.
- ▶ **The U.S. intelligence community has concluded that the IAEA would detect in a timely manner any direct violation of the agreement and that the intelligence community can detect undeclared facilities,** as it has done the two previous times Iran failed to declare in a timely manner its nuclear-related sites. The unprecedented extension of inspections under a comprehensive agreement will include uranium mines and mills, and centrifuge production that will make it even more difficult for Iran to conceal a new facility. In addition, the agreement provides for establishing a dedicated procurement channel,¹⁰ which will make a sneak-out scenario more difficult. The United States has a greatly improved track record of identifying clandestine nuclear weapons programs with the development of new surveillance tools.

3.4 ASSESSMENTS.

The challenge of sneak out is a danger with every nonproliferation and arms-control agreement. It should be treated seriously but cases are rare. **The mid-term risk in this particular case appears modest given the fact that the DNI has concluded that Iran is not now seeking a nuclear weapon** and that the agreement significantly increases transparency and monitoring of Iran. **Yet the risks could increase over the next 15 to 20 years when a new generation of Iranian leaders could decide to expand the size of its peaceful nuclear program.** In these circumstances it would become harder to assess with high confidence that small amounts of material diversion are not taking place.

4. ENFORCEMENT

4.1 CONCERNS.

If an Iranian violation were detected, would the United States and its international partners enforce the agreement, i.e., impose sizeable costs on Iran for its violation and/or compel Iran to return to compliance?

The response to an Iranian breach of the agreement would be slow. The time it takes from detection to response could be dragged out: an allegation of violations, followed by an investigation, stalling on Iran's part, adjudication, and finally a process of trying to win international support for appropriate corrective measures, sanctions, or the use of military force.¹¹

- ▶ Even if an investigation concluded that Iran violated its obligations, **Russia or China could block action by the UN Security Council or fail to participate in any other previously agreed 'snap back' provisions.**
- ▶ Enforcement would be complicated if Iran adopts a **"salami tactics" strategy of committing many small violations over time**, rather than simply tearing up the agreement or kicking the inspectors out.¹²
- ▶ **An eventual international response would be too weak to matter**, i.e., it would not compel Iran to halt its violations or deter it from future violations. The P5+1 could not agree to rebuild a robust sanctions regime, or take even stronger action.

4.2 ASSURANCES.

The agreement's purpose is to assure that a breach does not happen, and if it does occur, to ensure that the response will be firm. Yet an Iranian violation is possible and a substantial breach of the agreement in the future cannot be excluded. A major breach presumably would reflect a reversal of policy since 2003 not to go for a nuclear weapon and would destroy the large investment Iran's leaders have committed politically and economically in reaching the agreement in the first place.

- ▶ **High economic cost.** A major Iranian breach would be costly economically to Iran since it would most certainly entail re-imposition of U.S. sanctions with a consequent impact on third states dealing or trading with Iran (permitting firms to do banking and financial business with the United States or Iran, but not both), even if the full international sanctions regime is not restored.
- ▶ **High security risk.** Iran's leaders are aware that a substantial breach—evidence that they are going for a nuclear weapon—during the implementation could well provoke Israeli and American military strikes.
- ▶ **Russia does not want a new nuclear weapons state close to its borders and wants to do business with Iran.** This explains continued Russian cooperation on the Iranian case, even as U.S.–Russian relations have worsened over Ukraine.

- ▶ **Saudi Arabia and Israel will be searching for the first hint of evidence that Iran is in noncompliance and will vigorously press for a strong response.**
- ▶ **Banking sanctions can be re-imposed quickly.** Banking and financial sanctions can be imposed by the United States globally to prohibit access to the U.S. financial system and the global network of banks that would chose to remain in good standing with the U.S. Treasury. A president can quickly re-impose these sanctions as well as withdraw waivers issued for other sanctions. A clear and consequential Iranian breach will be persuasive in stopping growing interest in finding ways to work around these U.S. sanctions.
- ▶ It will **be difficult for Iran to employ salami tactics**, precisely because the parties will be looking for it. All the governments come to this agreement with very little trust of each other. In particular, the IAEA has been suspicious of Iran and frustrated in past years by Iran's lack of cooperation. The P5+1, and most particularly opponents of the agreement in the U.S. and the region, will be aggressively looking for evidence of noncompliance and the use of "salami tactics." **Israeli Prime Minister Netanyahu has said he expects Iran to abide scrupulously by the agreement in order to avoid charges of cheating, that it will be "impossible to catch the Iranians cheating simply because they will not break the agreement."**¹³

4.3 ASSESSMENTS.

- ▶ **Taking a risk.** There is the risk that an Iranian government might violate the agreement, since Iran has already violated its NPT commitments, most notably from the late 1990s to 2003. **But the United States should not give up negotiating nonproliferation agreements because there is a risk of violation.** The track record for compliance with nonproliferation agreements has been strong and has greatly contributed to U.S. national security by reducing the rate of proliferation across the world.¹⁴

Measuring the size of risk. The risk of violation is usually measured by the political will of the proliferator to build a bomb. **Of the seven countries that have been investigated for non-compliance,¹⁵ only one—North Korea—went on to acquire nuclear weapons,** and it did so not by salami tactics but by declaring its withdrawal from the NPT. If Iran is determined to get the bomb, and as Pakistan's leadership said, it was willing to "eat grass" to do so, there is not much anyone can do about that short of military action, including invading and occupying the country. According to repeated DNI assurances, Iran has not made such a decision. The objective of a voluntary, negotiated agreement is to prevent Iran from making such a decision. **Having no agreement—absent military action—would leave Iran free to change direction and go for the bomb. Alternative strategies—more sanctions and or military action now—have been discussed and discarded as ether ineffective or premature.**

- **To minimize the risk of violation, both deterrence and sustainability should be maximized.** The United States and its partners should make clear that violations will be met with a response that imposes long-lasting pain on the Islamic Republic. In addition, the United States and its partners should follow through on their own commitments in an equally robust fashion that provides incentives to Iran to maintain compliance and strengthens Tehran's belief that the agreement is in its national interest.

5. IRAN'S NUCLEAR PAST: POSSIBLE MILITARY DIMENSIONS

5.1 BACKGROUND.

The IAEA has long sought information about what it suspects (and the intelligence community assesses) was an Iranian nuclear weapons program that operated from the late 1990s until 2003, including experiments conducted at the Parchin military facility and various illicit procurement efforts. For years, little progress was made in IAEA–Iranian negotiations over these issues, and in the interim, satellite photography suggested that Iran cleared and cleaned a site within Parchin that was the subject of IAEA interest. **The agency identified 12 specific issues and questions for investigation regarding Iran's prior nuclear activities.**¹⁶

- **Current status.** Since November 2013, when Iran concluded an agreement with the IAEA and a separate agreement with the P5+1 (the Joint Plan of Action), the **pace of progress has picked up considerably.** Iran has agreed to a variety of steps intended to address the IAEA's areas of concern. Of these, eight steps involve providing the agency with information about future plans or facilities, and those have been completed.¹⁷ **Most of these steps are not significant but two are: a safeguards arrangement for the planned Arak reactor and information about exploding bridge wire experiments, the latter being a central focus of the investigation into the weapons program.** Progress has been made on six other steps related to the IAEA's access to facilities, but is not complete. The IAEA will want to be able to return to these facilities in the future.¹⁸
- **Two major areas remain unresolved and are directly related to the issue of past military activities: high explosives experiments and work on neutron transport.** Though the IAEA possible military dimension (PMD) investigation is technically separate from the P5+1 process, Iran and the P5+1 reaffirmed in Lausanne that **the comprehensive agreement will require Iran to resolve all outstanding issues with the IAEA regarding PMD before the removal of key sanctions.**

5.2 CONCERNS.

- **Lack of thorough accounting.** Without a thorough accounting of Iran's prior nuclear weapons program, we may lack the necessary baseline for verification, both regarding

those who worked on the program and those involved in procurement. Without this baseline, Iran might be better able to hide its nuclear assets or personnel and use them for a parallel program (i.e., sneak out).

- **Access to military facilities.** The apparent use of military facilities for weapons-related experiments combined with Iran's resistance to give timely access to those sites **demonstrates the need for "anytime, anywhere" inspections.**

5.3 ASSURANCES.

- **Need for better information about Iran's nuclear activities to verify agreement.** **We do not have to have perfect knowledge about activities carried out more than a decade ago** to be able to verify adequately ongoing and future activities. The United States has made clear it will not provide sanctions relief to Iran until this issue is resolved with the IAEA.
- **Baseline on Iran's current program already exists.** Information collected by the IAEA, the UN Expert Panel, the U.S. Treasury, and national intelligence provide a robust picture of Iran's program that has allowed the sanctioning of individuals, government organizations, and private concerns involved in Iran's nuclear program.
- **The IAEA has significant experience and greatly improved techniques.** The IAEA has investigated illicit and undeclared research activities in North Korea¹⁹ and has had to verify the exclusively peaceful nature of nuclear programs in South Africa, Ukraine, Kazakhstan, Belarus, Libya, and Iraq. The IAEA's experience extends to investigations in countries that had once possessed nuclear weapons, inherited weapons assets from the Soviet Union, had a weapons program that was given up voluntarily in negotiation, and had a weapons program that was given up involuntarily. It also had to confirm the peaceful status of illegal weapons programs in Romania and the former Yugoslavia after the Cold War. **Given the agency's increasing experience and improved technical assets, it is in a strong position to assess Iran's file.**
- **A comprehensive agreement will expand substantially the knowledge of Iran's nuclear program.** A deeper and more comprehensive accounting of Iran's activities will come from an expanded and more intrusive safeguards system extending for the first time ever to uranium mines and mills and to the creation of a new, transparent procurement channel. These new measures will make it exceedingly difficult for Iran to carry out a parallel, covert weapons program since inspectors will be able to know exactly how much uranium is going into the inspected program. If the numbers do not add up, evidence will point to a violation. The procurement channel will greatly simplify verification and enforcement of imports. Any sensitive import not carried out in the channel, highly likely to be detected by national intelligence collection on the basis of past experience, will be ipso facto a violation, regardless of what use Tehran claims the item is intended for.

- **“Anytime, anywhere” inspections with qualifications will likely be in a comprehensive agreement.** Energy Secretary Ernest Moniz said he expects anytime, anywhere access will be part of a well-defined process.²⁰ **That does not mean that the United States or the IAEA can have immediate access to sensitive military or intelligence locations for no reason.** In order to protect its sovereignty and security, no nation will accept unrestricted access to sensitive military sites. Instead, timely and specific access will be given to any site where a party has evidence of a material breach of the agreement. It remains to be seen how that process will be defined. Recent statements by the Iranian Supreme Leader on this issue, apparently for domestic consumption, are not necessarily inconsistent with Secretary Moniz’s and the Iranian negotiating team’s carefully stated conclusions on this issue.²¹

5.4 ASSESSMENTS.

The United States must continue to seek greater understanding and better information about suspected activities in Iran’s nuclear program going forward. The JPOA has provided a great deal more information than we had before and a comprehensive agreement will provide even more.

- **The past. The United States does not need to know everything about the past** before testing the possibilities of securing and monitoring over the next few years an Iranian nuclear program that is for peaceful uses only. **The key is separating what is technically necessary to know versus what would be useful to know going forward. While it might be politically desirable for those who want to assess Iran’s intentions that Iran be forced to come clean about past violations, it is not necessary.**
- **The future is more challenging.** Legitimate concerns will mount should Iran withhold cooperation over alleged violations of the agreement. Any proven violations or efforts to conceal prohibited activities will likely call for some form of action.²²

6. EFFECTS OF AN AGREEMENT ON PROLIFERATION IN THE MIDDLE EAST

6.1 CONCERNS.

Under the agreement, **Iran will retain a limited enrichment program which could encourage other nations in the region to demand their own similar deal.** “Saudi Arabia has signaled that it will enter the lists; others are likely to follow,” according to Henry Kissinger and George P. Shultz.²³ The result will be more proliferation in the Middle East.

6.2 ASSURANCES.

- ▶ **No such precedent exists. In 70 years of nuclear history, there is not a single case of proliferation of nuclear weapons caused by a safeguarded enrichment program which is what Iran will have after an agreement.** There have been 10 nuclear weapons states.²⁴ Some weapons programs began in response to another country's nuclear weapons program, others to actual nuclear tests, but none to a safeguarded enrichment program. Governments tend to be reactive by nature, not proactive—and nuclear weapons are not a small undertaking. **Non-nuclear weapons states that have safeguarded enrichment programs, such as Japan and Brazil, have not caused neighboring countries to initiate nuclear weapons programs.**
- ▶ **Historical evidence strongly suggests that proliferation cascades are weak, not strong.** People imagine that nuclear weapons spread like a virus, but the actual record contradicts that view. In the Middle East, for example, Israel acquired nuclear weapons in 1966—not an enrichment capability but actual nuclear weapons—and yet there have been no follow-on nuclear weapons states in the region in nearly five decades.²⁵
- ▶ **Limited enrichment infrastructure not seen as regional threat.** If nations were threatened by peaceful nuclear programs, then the states in the region would have done something over the past decade to match that capability. **They have not. Iran has had centrifuges since 2003, but Saudi Arabia and others have done virtually nothing in response.** Domestically developed facilities of this sort can be expensive, technically demanding, and time-consuming to construct. Countries with a greater trust in the international system, such as Saudi Arabia, that want to assure the availability or possess an interest in such facilities, should be encouraged to invest in international arrangements with others who have already perfected the technology.
- ▶ **Some states have announced plans for safeguarded nuclear programs** completely apart from Iran's activities. For example the **United Arab Emirates** have been planning for a Korean-built U.S. nuclear reactor under safeguards and without enrichment or reprocessing.
- ▶ **Other nations have little capacity for a basic nuclear program.** A closer look at the nuclear status of each of the countries said to be a potential proliferator, i.e., Saudi Arabia,²⁶ Turkey,²⁷ and Egypt,²⁸ suggests that they remain far from a basic civilian nuclear program, let alone a nuclear weapons program.²⁹

6.3 ASSESSMENTS.

Concern about the proliferation of nuclear weapons must remain a top priority for the United States in this region and elsewhere. The United States will continue to discuss with partners in the region plans for safeguarded, civilian nuclear programs, **but none of the countries in the region is expected to have such a program for a decade or more—if ever—with the exception of the Emirates.** An effective

agreement with Iran (with a full range of capabilities to deal with any breach) will hopefully persuade the Saudis and others that such an approach provides far better assurances that Iran will not get a nuclear weapon compared to not having an agreement. **The small risk of regional proliferation underlines the value of 1) reassuring American partners in the region, and 2) building on the positive momentum this agreement provides for strengthening the nonproliferation regime worldwide.**

7. IRAN AND THE CASE OF NORTH KOREA

7.1 CONCERNS.

Iran will turn into another North Korea. North Korea signed a nuclear agreement with the United States, the “Agreed Framework.” Eight years into the agreement, when confronted with evidence of procurement activities in support of an illicit uranium-enrichment program, North Korea expelled the IAEA inspectors and went on to test nuclear weapons as well as long-range missiles. **Iran could follow North Korea’s example: simply tear up the agreement, walk out, and assume that the international community or its member states will fail to respond.**

7.2 ASSURANCES.

The two countries and their strategic environments are very different.

- ▶ **North Korea has nuclear weapons.** It is a hereditary, Communist dictatorship that threatens South Korea with thousands of conventional artillery protected in underground facilities pointed at Seoul. It also is an ally of a nuclear-armed, great power—China. It is an autarkic country with little desire or ability to establish international economic relations.
- ▶ **Iran has no nuclear weapons,** disavows nuclear weapons in its statements, and is judged by the DNI as not yet having made the decision to develop nuclear weapons. Iran does not have the conventional force projection to threaten a neighbor the way Pyongyang threatens Seoul, and it has no nuclear great power ally on its border. Iran wants relief from international economic sanctions to reinvigorate economic conditions in the country. North Korea does not care if others in the region acquire nuclear weapons. Iran does. **If Iran were to violate the agreement, its neighbors in the region are likely to insist on a vigorous response in a way that was not the case in East Asia.**

7.3 ASSESSMENTS.

- ▶ **The agreements with Iran and North Korea are far more different than they are similar.** The main differences were that the agreed framework with North Korea focused specifically on its plutonium program and failed to address uranium enrichment, and did not have sufficient implementation oversight. North Korea also had already produced more than enough plutonium for one nuclear weapon; this is not the case of Iran. The framework agreement with Iran includes eliminating the plutonium and severely restricting the uranium pathways, with extraordinarily complex monitoring

and implementation. The verification measures already implemented under the JPOA and the new obligations anticipated in the final comprehensive agreement are far stronger and of longer duration than those in the Agreed Framework with North Korea. Under the agreement, Iran will not have enough nuclear material for a single nuclear weapon. In the 20 years since the Agreed Framework, the United States has developed more robust intelligence and verification capabilities that are, in any case, more effectively deployed towards a country such as Iran compared to the reclusive Hermit Kingdom.³⁰

- ▶ **The North Korea case reinforces the need for the United States and others to comply with their obligations.** The North Korea's leaders have argued that one of the reasons it decided to break the Agreed Framework agreement was that the United States failed to comply with its obligation to provide more heavy oil fuel and assistance to North Korea. The United States must not give Iran an excuse to withdraw from a comprehensive agreement.
- ▶ **The North Korea case remains, nonetheless, the only case of the failure to successfully maintain safeguards agreements negotiated under the nonproliferation treaty and a second such case must be avoided.** Tehran, unlike Pyongyang, has to consider public opinion, which is strongly demanding the end of international pariah status and economically painful sanctions. Iran is not a democracy, but it is far from a dictatorship.

8. THE FUTURE OF IRAN'S NUCLEAR PROGRAM: BEYOND 15 YEARS

8.1 BACKGROUND.

Under a comprehensive agreement, Iran's nuclear program will be subject to a range of restrictions of indefinite length. Among those, **some are legal and permanent** (e.g., the NPT, IAEA safeguards, additional protocol), some are practical (e.g., replacing the Arak reactor), and **some are voluntary** (e.g., no reprocessing).

Other obligations will operate for a fixed time period. Restrictions on the number and type of centrifuges installed and operating will end after 10 years. Restrictions on the level of enrichment, the size of the low-enriched uranium stockpile, the number of facilities, and the use of Fordow continue for 15 years. Enhanced access to centrifuge production facilities and uranium mines extends 20 and 25 years, respectively.

8.2 CONCERNS.

After roughly 15 years, Iran will be able to expand significantly its nuclear program in both size and sophistication. As a consequence, Iran will be closer than it is today to obtaining a bomb.

An agreement could actually pave the way for an Iranian bomb, as Iran will be able to conduct some research and development (R&D) on advanced centrifuges during the agreement and thus be able to bolster its long-term enrichment capabilities.

8.3 ASSURANCES.

- ▶ **The international community should not assume that Iran will go for a bomb after 15 years.** According to the DNI, Iran already has a basic weapons capability. **A larger program would make it easier for Iran to build nuclear weapons if it chose to do so, but it would not change the fundamental fact that it already has the necessary capability.** But Iran has not yet made that decision, and while it makes sense to plan for the possibility that Iran could decide to go for the bomb in 15 years, **it would be wrong to assume that this will be the case, as it is not the case now.**
- ▶ **Iran will be able to do R&D; there are few legal mechanisms to prohibit it.** There is no legal or other basis for banning R&D—not in NPT, not in UN Security Council resolutions, not in previous proliferation and arms-control agreements. Many countries, including American allies, would object to attempting to impose a ban on R&D because of the precedent it would set. Verification of such a ban would be difficult.
- ▶ **Banning R&D and dismantling the enrichment program would create a new and dangerous proliferation threat.** If a large cadre of nuclear scientists and engineers were to become unemployed with no legitimate or peaceful project to work on, some might be persuaded to work for foreign countries that are potential proliferators. Others might stay home and become advocates for an Iranian clandestine program.
- ▶ **Any post-restriction expansion of Iran's nuclear program would take many years to implement.** There is great distance between centrifuge enrichment in the laboratory and enrichment on an industrial scale. Iran built its first centrifuge a decade ago (presumed to be a copy of a Pakistani centrifuge, examples of which were provided to Iran), and yet the program still relies on this out-of-date Pakistani centrifuge design, despite repeated announcements about new Iranian centrifuges. **Whatever Iran decides about its civilian nuclear program 10 or 15 years from now, it will take many years beyond that to construct a larger nuclear program and Iran will presumably still be under IAEA and NPT restrictions and inspections.**
- ▶ **Fifteen years is a long time in the life of a nuclear program and in Iran's own perception of its role and in the dynamics of the Middle East.** During the period in which Iran's nuclear program is essentially frozen, other developments may lessen its need for or interest in an industrial scale nuclear program.
 - For example, during this period, **Iran could develop partnerships with European or other companies to develop its large, untapped natural gas reserves.**
 - **A major earthquake or accident at the Bushehr nuclear power plant** might lessen Iran's interest in nuclear energy.

- **History suggests that delay in a nuclear weapons program often means interest will be lost.** Successful weapons programs are typically ones where a government decides early and pursues its objective with focused political will.
 - **The United States will retain its arsenal for deterrence after 15 years** and must be ready to use it if Iran breaks out of the NPT.
 - **The Middle East and the world will continue to evolve around Iran in ways that could change significantly its role, ambitions and potential.** The variables are limitless.
 - **Iran's revolutionary generation will have largely passed on in 15 (or even 10) years; and, presumably, Iran's economy will have grown and been integrated into the world sufficiently that would be very painful to give up.**
 - **Iran has indicated an interest in acquiring eight to 22 power reactors in the future.** Iran has been talking about nuclear energy for decades going back to the times when the United States was encouraging the Shah to develop a nuclear program. Russia has negotiated for an involvement in future reactors. Iran's own capacity to design and produce reactors will be limited for some time. Most reactors take 10 years or more to construct. **Such a program will be dependent on outside suppliers who probably will be required to make stringent, continuing additional NPT requirements regarding fuel supply and the export of spent fuel.**
- **A follow-on agreement always possible.** There will be nothing in the agreement that prohibits the parties from negotiating an extension of the terms or a follow-on agreement. **If all the parties come to view the agreement as valuable and in their national interest, they may see reason for preserving what has become the new status quo.**

8.4 ASSESSMENTS.

Even though most of the significant limits on Iran's nuclear program will be lifted after 15 or 20 years, that is a very long time in its domestic politics, in international affairs, and even longer for nuclear programs. Essentially freezing the program for that length of time could undermine its long-term future. If on the other hand, Iran opts to expand the program, it will take additional time. The United States and its international partners will be closely monitoring Iranian actions and will have enhanced ability to react with economic and or military force. **There is simply no agreement that could be negotiated that would restrict every part of Iran's nuclear program forever, nor give the United States reason to abandon its diplomatic, intelligence, and military defenses. Nor could military action on its own, short of a permanent occupation, do so.**

Endnotes

¹ “Although the U.S. intelligence community assesses that Iran abandoned a coordinated nuclear weapons program in 2003, the 2007 National Intelligence Estimate (NIE) on Iran and more-recent intelligence community testimony assessed that Iran has developed a range of technologies, including uranium enrichment, nuclear warhead mechanics, and delivery systems, that would give it the option to launch a nuclear weapons development effort in a relatively short time frame ‘if it so chooses.’ Such an effort is not the same as a crash program designed to construct a nuclear weapon.” See Kelsey Davenport, Daryl Kimball, and Greg Thielmann, “Solving the Iranian Nuclear Puzzle: Toward a Realistic and Effective Comprehensive Nuclear Agreement,” Arms Control Association, 3rd Ed., June 2014, http://www.armscontrol.org/files/ACA_Iran_Briefing_Book_Update_June_2014.pdf. See also James R. Clapper, “Unclassified Statement for the Record on the Worldwide Threat Assessment of the U.S. Intelligence Community for the Senate Select Committee on Intelligence,” Office of the Director of National Intelligence, January 31, 2012, p 6, <http://www.intelligence.senate.gov/120131/clapper.pdf>.

² James R. Clapper, Director of National Intelligence, “Statement for the Record: Worldwide Threat Assessment of the U.S. Intelligence Community Senate Armed Services Committee,” February 26, 2015, http://www.dni.gov/files/documents/Unclassified_2015_ATA_SFR_-_SASC_FINAL.pdf

³ As Director of National Intelligence James R. Clapper explained in his 2012 testimony, “We judge Iran’s nuclear decision making is guided by a cost-benefit approach, which offers the international community opportunities to influence Tehran.” James R. Clapper, “Unclassified Statement for the Record on the Worldwide Threat Assessment of the U.S. Intelligence Community for the Senate Select Committee on Intelligence,” Office of the Director of National Intelligence, January 31, 2012, p 6, <http://www.intelligence.senate.gov/120131/clapper.pdf>

⁴ Scott Malone, “Critics of Iran Nuclear Deal ‘Disingenuous,’ CIA’s Brennan Says,” *Reuters*, April 7, 2015; Web April 14, 2015, <http://www.reuters.com/article/2015/04/08/us-usa-cia-brennan-idUSKBN0MZ00P20150408>

⁵ Gary Samore, who was Mr. Obama’s top adviser on weapons of mass destruction, and Olli Heinonen, former Chief Inspector of the International Atomic Energy Agency, both of the Kennedy School of Government at Harvard University, and members of a group called United Against Nuclear Iran have changed their tone. Mr. Samore told the *New York Times* that the framework agreement was a “very satisfactory resolution of Fordo and Arak issues for the 15-year term” and it was “enough to be called a political framework.” Mr. Heinonen said “It appears to be a fairly comprehensive deal with most important parameters.” See, Michael Gordon and David Sanger, “Iran Agrees to Detailed Nuclear Outline, First Step Toward a Wider Deal,” *New York Times*, April 2, 2015 <http://www.nytimes.com/2015/04/03/world/middleeast/iran-nuclear-talks.html>. David Albright, President, Institute for Science and International Security, stated: “Our overall assessment is that this complicated framework has some excellent provisions” although several he found inadequate or needed to be further negotiated. See David Albright, Andrea Stricker, Serena Kelleher-Vergantini, and Houston Wood. “P5+1/Iran Framework: Needs Strengthening,” Institute for Science and International Security, April 11, 2015. http://isis-online.org/uploads/isis-reports/documents/Assessment_of_Iran_Nuclear_Framework_April_11_2015-final.pdf. Dennis Ross, former Director of Policy Planning at the State Department, said about the framework turning into the final deal: “its terms would give us high confidence that the Iranians would not become a nuclear weapons state for the next 15 years. Even after that, for 25 years, we would be in a good position to know if Iran was seeking to divert materials to a covert nuclear program given the framework’s provision for monitoring the whole supply chain—including the mining and milling of uranium, the conversion of yellow cake to UF-6 gas, its purification in centrifuges, centrifuge assembly and storage facilities, etc. For me, the deal is acceptable.” Dennis Ross, “How to Save the Iran Deal,” *Politico Magazine*, April 20, 2015, http://www.politico.com/magazine/story/2015/04/iran-deal-117126.html?ml=m_pm&utm_source=AM+Nukes+Roundup&utm_campaign=f74716f770-AM_Nukes_Roundup&utm_medium=email&utm_term=0_547ee518ec-f74716f770-391730569#.VWTNF1VVikq

⁶ Efraim Halevy, “Obama Was Right, Iran Capitulated,” *ynetnews.com*, <http://www.ynetnews.com/articles/0,7340,L-4644691,00.html>. See also Amos Yadlin, “Possible Scenarios and Strategic Options vis-à-vis Iran,” INSS Insight No. 689, April 27, 2015, <http://www.inss.org.il/index.aspx?id=4538&articleid=9333>

⁷ Two successful treaties that had similar timelines were SALT I and START I about two years each. The India-Pakistan Non-Attack Agreement lasted less than a year, before both sides signed. Additionally, the African Nuclear-Weapon-Free-Zone (ANWFZ) Treaty (Pelindaba Treaty) took almost 3 years. And the Southeast Asian Nuclear-Weapon-Free-Zone (SEANWFZ) Treaty (Bangkok Treaty) took much longer, 10 years to be negotiated. See NTI’s (The Nuclear Threat Initiative’s) comprehensive list of treaties, agreements, and timelines, <http://www.nti.org/treaties-and-regimes/treaties/>

⁸ Breakout refers to the amount of time it would take for Iran to enrich enough weapons-grade fissile material for one bomb. Sneak-out is the same concept, only using covert clandestine or undeclared facilities.

⁹ International Atomic Energy Agency, “Report by the Director General,” February 19, 2015, <https://www.iaea.org/sites/default/files/gov2015-15.pdf>

¹⁰ “A dedicated procurement channel for Iran’s nuclear program will be established to monitor and approve, on a case-by-case basis, the supply, sale, or transfer to Iran of certain nuclear-related and dual use materials and technology—an additional transparency measure.” See, Office of the Spokesperson U.S. Department of State, “Parameters for a Joint Comprehensive Plan of Action Regarding the Islamic Republic of Iran’s Nuclear Program,” April 2, 2015, <http://www.state.gov/r/pa/prs/ps/2015/04/240170.htm>

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¹¹ Michael Hayden, Olli Heineken, and Ray Takeyh, “The Iran Time Bomb,” *Washington Post*, March 22, 2015, http://www.washingtonpost.com/opinions/a-one-year-time-bomb-on-iran/2015/03/22/14cc497e-cdbc-11e4-8c54-ffb5ba6f2f69_story.html

¹² Henry Kissinger and George P. Shultz, “The Iran Deal and Its Consequences,” *Wall Street Journal*, April 7, 2015, <http://www.wsj.com/articles/the-iran-deal-and-its-consequences-1428447582>.

¹³ Barak Ravid, “Netanyahu Told Cabinet: Our Biggest Fear Is That Iran Will Honor Nuclear Deal,” *Haaretz*, April 12, 2015, http://www.haaretz.com/news/diplomacy-defense/.premium-1.651350?utm_source=Facebook&utm_campaign=Echobox&utm_medium=Social

¹⁴ On the effectiveness of nonproliferation agreements, see Matthew Fuhrmann and Yonatan Lupu, “Do Arms Control Treaties Work? Domestic Politics and the Constraining Power of the Nuclear Nonproliferation Treaty,” January 7, 2015 [Working Paper.]; Jim Walsh, “Learning From Past Success: The NPT and the Future of Nonproliferation,” Paper no. 41, Oslo: Weapons of Mass Destruction Commission, 2006. Contrary to popular understanding, the rate of proliferation peaked in the 1960s and has declined in every ensuing decade.

¹⁵ Those seven countries are Iran, Iraq, North Korea, Libya, Romania, South Korea, and Egypt. South Korea and Egypt were investigated for safeguard breaches, which is different from proliferation breaches. See, John Carlson, “Defining Noncompliance: NPT Safeguards Agreements,” *Arms Control Association*, May 8, 2009, https://www.armscontrol.org/act/2009_5/Carlson

¹⁶ The 12 areas include: 1) Program management and structure; 2) Procurement activities; 3) Nuclear material acquisition; 4) Nuclear components for an explosive device; 5) Detonator development; 6) Initiation of high explosives and associated experiments; 7) Hydrodynamic experiments; 8) Modeling and calculations; 9) Neutron initiator; 10) Conducting a test; 11) Integration into a missile delivery vehicle; and 12) Fusing, arming, and firing system. International Atomic Energy Agency, “Annex,” in “Implementation of the NPT Safeguards Agreement and Relevant Provisions of Security Council Resolutions in the Islamic Republic of Iran,” GOV/2011/65, November 8, 2011, <https://www.iaea.org/sites/default/files/gov2011-65.pdf>. For analysis see “Iran and IAEA: On Past Military Dimensions,” *The Iran Primer*, USIP, May 20, 2014, <http://iranprimer.usip.org/blog/2014/may/20/iran-and-iaea-past-military-dimensions>

¹⁷ They include information on proposed new reactors, new power plants, new enrichment facilities, source material, lasers, design information for Arak, and exploding bridge wire experiments and a safeguards arrangement for the planned Arak reactor, pp 3–4, <https://www.iaea.org/sites/default/files/gov2014-28.pdf>

¹⁸ This includes visits to the two mines, the heavy water plant, the Ardakan plant, the Lashkar Abad Laser Centre, a centrifuge R&D facility, and a centrifuge production facility.

¹⁹ IAEA Press Office, “IAEA Board Concludes Consideration of Safeguards in South Korea,” November, 2004, <https://www.iaea.org/newscenter/news/iaea-board-concludes-consideration-safeguards-south-korea>; Paul Kerr, “IAEA Investigating Egypt and Taiwan,” *Arms Control Today*, January 1, 2005, http://www.armscontrol.org/act/2005_01-02/Egypt_Taiwan.

²⁰ Jim Snyder and Indira Lakshmanan, “Inspectors Need Full Access in Iran Nuclear Deal, Moniz Says,” *Bloomberg News*, April 20, 2015, <http://www.bloomberg.com/politics/articles/2015-04-20/inspectors-need-full-access-in-any-iran-nuclear-deal-moniz-says>.

²¹ “Iran’s Supreme Leader Rejects Access to Military Sites,” *New York Times*, May 20, 2015, http://www.nytimes.com/aponline/2015/05/20/world/middle-east/ap-ml-iran-nuclear.html?_r=0 “Iranian parliament members who attended a closed-door session with Iranian negotiators say Iran has accepted managed inspections of military sites.” Arash Karami, “Has Iran already accepted inspections at military sites?” *Al Monitor*, May 26, 2015, <http://www.al-monitor.com/pulse/originals/2015/05/iran-araghchi-inspections-military-sites.html#>. Iranian Deputy Foreign Minister said on Iranian State TV, that “Iran has agreed to grant managed access to military sites,” See “Iran Will Allow UN Nuclear Inspectors to Visit Military Sites, Negotiator Says,” *Guardian*, May 24, 2015, <http://www.theguardian.com/world/2015/may/24/iran-will-allow-un-nuclear-inspectors-visit-military-sites-negotiator-says>.

²² If Iran is suspected of conducting activities related to the development of nuclear weapons, access to military sites by inspectors will be important for providing assurance that Iran is not pursuing nuclear weapons. And, International Atomic Energy Agency (IAEA) access to military sites to allow the agency to complete its investigation in the alleged past actions related to weapons development is also necessary to shed light on Tehran’s past weaponization work. While it is reasonable for a country to refuse to give international inspectors carte blanche access to military sites, in the case of Iran, given its past weaponization work, some access will be necessary. For more see Kelsey Davenport, “Under a Microscope: Monitoring and Verification in an Iran Deal,” *Arms Control Association*, April 29, 2015, <http://www.armscontrol.org/Issue-Briefs/2015-04-29/Under-a-Microscope-Monitoring-and-Verification-in-an-Iran-Deal>

²³ Henry Kissinger and George P. Shultz, “The Iran Deal and Its Consequences,” *Wall Street Journal*, April 7, 2015, <http://www.wsj.com/articles/the-iran-deal-and-its-consequences-1428447582>.

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²⁴ For a full list see Daryl Kimball and Kelsey Davenport, “Nuclear Weapons: Who Has What at a Glance,” Arms Control Association, April 2015, <http://www.armscontrol.org/factsheets/Nuclearweaponswhohaswhat>

²⁵ Jim Walsh, “Learning From Past Success: The NPT and the Future of Nonproliferation,” Paper no. 41, Oslo: Weapons of Mass Destruction Commission, 2006.

²⁶ Colin H. Kahl, Melissa G. Dalton, and Matthew Irvine, “Atomic Kingdom: If Iran Builds the Bomb, Will Saudi Arabia Be Next?” Center for New American Security, February 2013, http://www.cnas.org/files/documents/publications/CNAS_AtomicKingdom_Kahl.pdf; Zachary Keck, “Why Pakistan Won’t Sell Saudi the Bomb,” *National Interest*, November 18, 2013, <http://nationalinterest.org/commentary/why-pakistan-wont-sell-saudi-the-bomb-9416>

²⁷ Mark Hibbs, “The IAEA’s Conclusion About Turkey,” *Arms Control Wonk*, April 16, 2015, <http://carnegieendowment.org/2015/04/16/iaea-s-conclusion-about-turkey/i799>

²⁸ Dina Esfandiary and Ariane Tabatabai, “Why Nuclear Dominoes Won’t Fall in the Middle East,” *Bulletin of Atomic Scientists*, <http://thebulletin.org/why-nuclear-dominoes-wont-fall-middle-east8236>; Jim Walsh, “Learning From Past Success: The NPT and the Future of Nonproliferation,” Paper no. 41, Oslo: Weapons of Mass Destruction Commission, 2006.

²⁹ Jessica C. Varum, “Middle East Nuclear Race More Rhetoric Than Reality,” *World Politics Review*, May 14, 2015, <http://www.worldpoliticsreview.com/articles/15769/middle-east-nuclear-race-more-rhetoric-than-reality#>.

³⁰ For extensive analysis on this subject see George Perkovich, “Why the Iran Nuclear Deal Is Not the North Korea Deal,” Carnegie Endowment for International Peace, April 28, 2015, <http://carnegieendowment.org/2015/04/28/why-iran-nuclear-deal-is-not-north-korea-deal/i7wa>. See also Robert Gallucci and Joel S. Wit, “North Korea’s Real Lessons for Iran,” *New York Times*, April 10, 2015, <http://www.nytimes.com/2015/04/11/opinion/north-koreas-real-lessons-for-iran.html>

Part III: Benefits and Costs of Military Action.

INTRODUCTION AND CONTENTS

A report by The Iran Project in 2012 weighed the benefits and costs of military action against Iran's nuclear program.¹ While many aspects of that report remain valid, the P5+1 negotiation with Iran and potential comprehensive nuclear agreement, as well as the spreading conflicts in the Middle East have substantially changed the political context for military action. The consequences in the region and around the world of U.S. military action against Iran now, in an already turbulent part of the world, would be seriously damaging and hard to estimate. The first section of this chapter discusses the costs and benefits of military action should the current negotiations fail due to an Iranian decision to pull out and withdraw from the Joint Plan of Action (JPOA). The second part describes the costs and benefits of military action if an agreement is in place and Iran subsequently violates the agreement and attempts to produce a nuclear weapon.

1. Military Action if Negotiations Fail

2. Military Action After an Agreement if Iran Attempts to Build a Nuclear Weapon

1. MILITARY ACTION IF NEGOTIATIONS FAIL

Military action now is essentially unthinkable during the final phases of negotiations of a nuclear deal, but it will **remain an option should negotiations fail with no indication of a restoration of talks**. The costs and benefits of action under these conditions will vary depending on how and why the negotiations fail and possible subsequent actions taken by Iran toward a nuclear weapon.

1.1 DEPENDS ON THE REASON FOR FAILURE.

There are broadly speaking two reasons negotiations could fail:

- ▶ **Iran's leadership decides not to make the final agreement.** If the negotiation failure is due to Iran's unwillingness to accept what appears to be a fair deal, U.S. military action would still carry high costs depending on the persuasiveness of Iran's case that it is the aggrieved party. If Iran also should decide to withdraw from the JPOA, its case would be weaker and international concerns would increase. The international community as a whole would still probably oppose the use of force even though some countries in the region, mainly Israel and probably some of the Gulf Cooperation Council (GCC) countries including Saudi Arabia and the United Arab Emirates, would, at least privately, applaud resolute action.
- ▶ **The U.S. government decides against or, because of congressional opposition, is unable to conclude a deal.** In this scenario Iran would likely be portrayed by most of the international community as having made good-faith efforts to resolve differences over its program. If the United States is unable to convince the international community that military action was proper and legally defensible after 18 months of negotiations, it would be isolated and judged by many of its allies and others to be at fault. The costs to the United States of such action under these circumstances would be very high.

1.2 BENEFITS AND COSTS IF IRAN DECIDES NOT TO REACH AN AGREEMENT.

We consider here only the circumstance in which Iran decides against reaching an agreement and decides to discontinue its commitments under the JPOA. We did not consider the impact should the United States pull out of the negotiations for the reasons noted above. If the United States or Israel were to use force against the Iranian nuclear program after their failure to reach an agreement and breaking with the JPOA, our assessment is as follows:

- ▶ **Benefits.** The benefits of using military force against the program would obviously depend on the stated reasons for Iran's withdrawal from the talks and whether there is any likelihood the talks might resume fairly quickly. We assume for this discussion that the break would be significant and involve Iran's withdrawal from the JPOA, placing Iran's nuclear program back where it was before November 2013 but with a considerably different political context.
 - **Military benefits.** U.S. military action could **destroy much of the critical nuclear sites** while also inflicting some damage on the underlying industrial infrastructure.² This would bring the Iranian program to a temporary halt but would **not eliminate Iran's capability** to reconstitute

the program over 3 to 5 years.³ U.S. strikes would likely **damage Iran's conventional military capability**, particularly in terms of air defenses and command and control.

- **Political benefits.** U.S. action would **reassure regional partners** of its commitment both to countering Iranian proliferation and Iran's broader regional ambitions. U.S. allies in the Gulf and Israel have a high level of concern about Iran's nuclear program and Iranian activities in the region.⁴
- **Non-proliferation benefits.** There would be some increase in credibility that the United States would use force in future global counter-proliferation efforts, which would likely bolster deterrence of potential proliferators.
- **Israeli military action** would likely achieve a modest and short-term impact on the Iranian program, principally due to the more limited (but still significant) capabilities of the Israeli military relative to those of the United States. However, the political effect of Israeli military action would likely be strongly negative.
- **Costs.** The costs would be high unless it had actually become clear that Iran had made a decision to go for a nuclear weapon, which is the subject of the next section.
 - **Military costs** to the United States would be higher than we estimated in 2012 since the U.S. forces now present a relatively easier and considerably smaller target in the region with less capacity to retaliate. Iraqi negative reaction to an attack encouraged by Iran could result in U.S. troops being expelled from Iraq and seriously undermine the campaign against ISIS.
 - **Regional costs** would also be high since there would remain the question of who was at fault. The United States would be further hampered in its efforts to degrade ISIS, and opportunities would be lost for some form of continuing and future cooperation with Iran on regional issues such as Iraq, Afghanistan, Syria, and Yemen. U.S.–Iran relations would be damaged severely for many years or decades.
 - **International costs** could involve the disintegration of the international sanctions regime, the break up of the P5+1 coalition and the decision of many nations to work more directly with Iran. Allies could feel betrayed by U.S. military action unless the United States were to get agreement among the United Nations Security Council permanent members or most of the P5+1 to take military action.

2. MILITARY ACTION AFTER AN AGREEMENT IF IRAN ATTEMPTS TO BUILD A NUCLEAR WEAPON

2.1 MILITARY ACTION IN RESPONSE TO A CLEARLY ESTABLISHED IRANIAN ATTEMPT TO PRODUCE HIGHLY ENRICHED URANIUM FOR A BOMB AFTER AN AGREEMENT IS REACHED WOULD PROBABLY:

- **Do substantially greater damage to Iran's nuclear program than we had estimated three years ago, since we would know much more about the program and it would be more**

concentrated. This assessment depends in part on how long the agreement had been in force and how long the International Atomic Energy Agency (IAEA) had been monitoring the arrangement.

- ▶ **Have somewhat greater effect in terms of reassuring allies and deterring future proliferators.**
- ▶ **Have lower political costs** than in our last assessment, since Iran would be seen as virtually provoking those who have opposed its getting a nuclear weapon.
- ▶ **Have higher costs** in terms of Iranian retaliation and the long-term relationship of the United States in the region and probably with most of the Iranian population.

2.2 AN IRANIAN “BREAKOUT” TO GET ENOUGH HIGHLY ENRICHED URANIUM FOR ONE BOMB COULD BE ACCOMPLISHED IN SEVERAL WAYS:

The successful enrichment in a clandestine facility; a decision to move rapidly in an existing facility—mainly Natanz or a reconfigured Fordow; or after 10–15 years when some limits have been lifted on uranium enrichment and some inspections have been reduced.

- ▶ **The clandestine option.** We still assess that national intelligence agencies of several countries will have the ability to detect an Iranian clandestine enrichment activity. While past experience with the IAEA suggests it may not have the ability to fully root out secret facilities, IAEA inspectors will nonetheless play a valuable role in conjunction with intelligence community in identifying possible clandestine activities. The new agreement appears designed **to enhance that verification capacity by expanding monitoring and inspection of Iranian nuclear activity throughout the country over the entire fuel cycle, including the mining of uranium and the production of equipment for the enrichment program (centrifuges) as well as with imports.** Such inspections will expand opportunities for international inspections and by U.S. and allied intelligence agencies to collect information through human and technical sources. Even if Iran seeks to thwart some inspections, such deception and resistance can still aid intelligence organizations by revealing the areas about which Iran is most sensitive.
- ▶ **Using existing known facilities either during or following implementation of a comprehensive agreement.** An Iranian decision to “breakout” or begin to enrich uranium to weapons grade during or after implementation of an agreement would be detected quickly—probably within days—by the IAEA and signal Iran’s new intentions. Iran’s leaders could alternately decide to demand the withdrawal of all IAEA inspectors and monitoring capacity. Either a demand for withdrawal or IAEA detection would call for the execution of contingency plans to renew heavy pressure on Iran to comply, including the possible use of military force.
- ▶ **The agreement will increase the vulnerability of Iran’s nuclear facilities and be a further disincentive to Iran to go for a nuclear bomb.** Under the new agreement, the concentration of Iran’s program into fewer facilities (including the closing of all uranium enrichment in the buried facility at Fordow) will increase the effectiveness of military action on Iran’s nuclear program. At present the United States can destroy known Iranian nuclear sites, but does not have a sufficient understanding of the Iranian industrial

infrastructure to target some nuclear industrial sites (for example, the facilities where critical centrifuge components are manufactured). Any strikes will therefore inflict significant damage, but by no means eliminate Iran's nuclear program and Iran will be able to reconstitute destroyed components in a matter of years.

2.3. MONITORING DURING IMPLEMENTATION ENHANCES IRAN'S VULNERABILITY TO MILITARY ACTION.

► **Transparency of nuclear industrial supply chain required.** The comprehensive agreement, as suggested by the Framework Agreement, will require continuous monitoring of Iran's industrial supply chain, emphasizing "Iran's centrifuge manufacturing base will be frozen and under continuous surveillance."⁵ Iran will also be required to procure nuclear industry materials through a procurement mechanism that is open to inspection. **This monitoring will expand U.S. knowledge of and ability to target Iran's capacity to reconstitute its nuclear program. Military action that destroyed not only the known nuclear sites, but also the industrial infrastructure** to reconstitute these sites, would significantly decrease Iran's ability to reconstitute its nuclear program—more so than indicated in our 2012 report.

► **The comprehensive agreement will also call for Iran to move all of its centrifuges that enrich uranium to the Natanz enrichment facility, to reduce by 98% to 300Kgs for 15 years its stockpile of low-enriched uranium, and cease all uranium enrichment at Fordow.** Natanz, though underground, is much more vulnerable to U.S. and Israeli "bunker-buster" bombs than the deeply buried Fordow facility. Military action could with high confidence destroy Natanz, leaving just over 1,000 centrifuges available in Fordow where all uranium enrichment would have been discontinued, assured by regular IAEA inspections. Iran would need much more than a year to produce enough highly enriched uranium for one bomb. Also, it would require long delays and a difficult process to renew the enrichment of uranium in the Fordow centrifuges that had not enriched uranium for some time. This would allow the United States a significant period of time in which to attack Fordow, thereby enhancing the chances to be more successful in penetrating the facility.

2.4. IRAN'S MILITARY CAPACITY.

We have not examined in this report Iran's conventional military capability, including its ability to defend its nuclear facilities against military strikes, which is still limited. Yet a U.S. strike against Iran, during nuclear breakout, would need to include Iran's military installations, most particularly its air defense locations, command and control facilities, and military facilities suspected of research on nuclear weapons.

2.5. MILITARY ACTION AGAINST IRAN IS A TACTICAL NOT A STRATEGIC CHOICE.

The strategic goal of assuring that Iran does not get a nuclear weapon will not be achieved by military action. It will be a tactical move that will only reset the clock for Iran to obtain a weapon, unless a permanent state of war with continuous aerial attacks is instituted, or an occupation force is introduced, both of which seem politically and militarily impractical.

Endnotes

¹ *Weighing Benefits and Costs of Military Action Against Iran*. The Iran Project, 2012, <https://www.scribd.com/doc/106806148/IranReport-092412-Final>

² *Weighing Benefits and Costs of Military Action Against Iran*, pp 29–30. The critical sites are Fordow and Natanz (enrichment), Esfahan (conversion), and Arak (heavy water reactor).

³ Estimates of the speed of reconstitution vary but we continue to believe it will be on the order of 3–5 years.

⁴ Helene Cooper, “White House Looks to Ease Arab Fears Over Iran Nuclear Pact,” *New York Times*, May 1, 2015.

⁵ “Parameters for a Joint Comprehensive Plan of Action Regarding the Islamic Republic of Iran’s Nuclear Program,” Bureau of Economic and Business Affairs, U.S. Department of State, April 2, 2015, <http://www.state.gov/e/eb/tfs/spi/iran/fs/240539.htm>

Part IV: Dealing with Iran after an Agreement.

INTRODUCTION AND CONTENTS

U.S.–Iranian relations are likely to become even more complex and certainly more varied after a nuclear agreement is reached. We explore some of the variables in the following sections:

- 1. One Agreement with Two Narratives**
- 2. Assuring Compliance in the Context of Distrust**
- 3. Opposition and Support Inside Iran and the United States**
- 4. U.S. and Iranian Bilateral Relations After an Agreement**
- 5. Leverage: Role of Sanctions and Trade**

1. ONE AGREEMENT BUT TWO NARRATIVES

Iran and the United States will interpret the final agreement in different ways even while sticking to their commitments. **The two narratives or “spins” on the agreement from both sides will create anxiety and uncertainty in the United States and in Iran.**

1.1 IRAN’S NARRATIVE.

Iran’s leaders are likely to say they have achieved their major objectives: the restoration of respect for Iran, its dignity as a nation and pride in preserving Iran’s honor as a modern state; the lifting of all sanctions against Iran; the recognition by the international community of Iran’s full rights under its international agreements, particularly the Non-Proliferation Treaty (NPT); withstanding U.S.-led Western pressure; and retaining a full nuclear fuel cycle for peaceful purposes. This narrative will be necessary to justify to the Supreme Leader, the Iranian nation, and domestic opposition, that some concessions were well worth it in order to achieve their major objectives.

1.2 AMERICA’S NARRATIVE.

The U.S. administration will say it has achieved its major objectives: assembled and sustained an unprecedented coalition—including all the permanent members of the United Nations Security Council and most other major nations—to oppose an Iranian nuclear weapon; brought Iran to the negotiating table through severe American-led international sanctions and other pressures; struck a deal that cuts off the pathways for Iran to acquire a nuclear weapon; significantly limits Iran’s remaining nuclear program by ensuring it will be used only for peaceful purposes; established an unprecedented inspections and monitoring regime; establishing at least a one-year “breakout time”; timed sanctions relief to actual compliance and set up mechanisms for the quick re-imposition of a strong sanctions regime should Iran be found in violation of its obligations. This narrative will be important to persuade the U.S. Congress not to kill the deal in its infancy and assure the American people, Israelis, and other key audiences such as in the Gulf States that this deal will actually improve the security of all and not signify a major change in U.S. regional strategy.

1.3 IMPLICATIONS OF COMPETING NARRATIVES.

These competing narratives will exacerbate the opposition to the agreement within each country and likely stimulate accusations that the other side is lying, misinterpreting, or deliberately avoiding its obligations. From the beginning of deal making—in business or diplomacy or between governments or companies—participants reach agreements that allow for and recognize the need for contrasting or competing narratives. **Each side will declare that it has invested in this new agreement to achieve its major objectives thereby assuring a durable commitment to making it work. This is the essence of a “win-win” deal. Yet it will be difficult in the early stages of implementation for each side to accept differing narratives, in particular regarding the pace of sanctions relief linked to Iranian compliance with key parameters of the arrangement.**

2. ASSURING COMPLIANCE IN THE CONTEXT OF DISTRUST

Implementation and observance of such a complex and broad agreement will present tensions, particularly given the long history of mutual distrust.

2.1 DECADES OF DISTRUST WILL CONTRIBUTE TO COMPLIANCE DISPUTES.

- ▶ **American distrust.** Evidence of Iranian noncompliance will be seen as Iranian interest in nuclear weapons and as continuation of prior efforts to conceal parts of its nuclear activities. **Suspensions will persist that Iranian leaders only sought sanctions relief to advance their ability to make a nuclear weapon, to achieve access to resources to further their regional ambitions, and to fracture the international coalition.**
- ▶ **Iranian distrust.** Iran's leaders have been deeply distrustful of the United States for decades and remain suspicious that the United States seeks regime change in Iran. **Tehran will accuse the United States of not living up to its obligations, particularly regarding early sanctions relief** through continuing pressure by the U.S. Treasury on banks worldwide and delays in lifting of bilateral sanctions. Iran has claimed that while it has lived up to all of its obligations under the Joint Plan of Action (JPOA), the United States has not fully implemented the limited sanctions relief agreed to in the JPOA in a timely or complete manner. Still, both sides early on agreed to a joint body to examine and resolve these issues.

2.2 AN AGREEMENT WILL NOT BE BASED ON TRUST BUT ON INTRUSIVE INSPECTIONS.

Extensive arrangements for international monitoring and inspections reflect this distrust and the need for close scrutiny to ensure compliance. **The inspection and monitoring provisions of the deal go considerably beyond those ever agreed to by any country.**

- ▶ **Monitoring and verification have been a central feature of major arms control, non-proliferation and disarmament agreements since the 1970s and are broadly accepted in the United States and in international law and practice as safeguarding the sanctity of agreements and preserving and expanding trust.**
- ▶ **Iran complied with the interim agreement.** The International Atomic Energy Agency (IAEA) has reported that Iran has been in full compliance with its obligations under the JPOA since it was announced in November 2013. In addition to these obligations, significant new restrictions and monitoring will be in a final comprehensive agreement. This positive track record so far provides a basis for increased confidence that Iran will remain compliant.
- ▶ **Additional Protocol adds important inspections.** The already extensive inspection arrangements under the JPOA will be further strengthened and institutionalized through Iranian adherence to the Additional Protocol¹ and Code 3.1² of the safeguards regime of the IAEA.

► **Procedures to resolve compliance disputes.** The agreement will specify procedures, consistent with the Additional Protocol, for timely resolution of any disputes over compliance. These procedures, following on ones already established by the JPOA, will involve a Joint Commission that will include the P5+1 (China, France, Russia, United Kingdom, and the United States plus Germany) and Iran, and possibly a representative of the European Union as well as a new UN Security Council resolution allowing for the reintroduction of all previous sanctions if there is an unresolved dispute over access. **Recognizing that no such mechanism will be without flaws, disputes, or controversial findings, every effort must be made in the final negotiations to resolve as many structural problems as possible in the dispute resolution mechanism and recognize as well that U.S. financial and banking sanctions are available and other actions will remain on the table in the event they are needed.**

2.3 LIMITING IRAN'S CAPACITY TO BUILD A CLANDESTINE NUCLEAR FACILITY WILL REMAIN A MAJOR AND LEGITIMATE CONCERN, WITH OR WITHOUT AN AGREEMENT.

Preventing “sneak-out”—Iranian use of undeclared facilities to enrich enough uranium for one bomb—will remain a major objective of any inspections regime. **The prospect of quickly detecting a clandestine facility will be greater with the extensive monitoring and inspection arrangements included in the final agreement** than it would be without an agreement. This is true because 1) the presence of inspectors on the ground will allow much closer surveillance of all facilities than would be the case without an agreement; and 2) the agreement introduces a unique extension of surveillance to the entire nuclear fuel cycle, from the mining of uranium to processing of the ores, to the manufacturing of centrifuges and the monitoring and control of key imports for the Iranian nuclear program. There will also be the possibility of visiting any sites where activities subject to monitoring and verification are reported to or suspected of taking place. This allows inspectors to calculate how much uranium is available, how many centrifuges have and can be built, and what key individuals are doing, making it much more difficult for Iran to operate a parallel, covert fuel cycle.

2.4 INTERNATIONAL INTELLIGENCE COMMUNITY OBSERVING IRAN'S PROGRAM.

The U.S. will not be dependent only on the IAEA's extensive inspections, but will also rely on its own extensive intelligence capacity to ensure Iranian compliance. Many other nations will retain a high stake in monitoring Iran's nuclear program and will be conducting their own monitoring. Such intelligence is widely shared. Iran would have to calculate that to be successful it would have to have strong reasons to believe it could evade all such observations to escape the obvious and very serious consequences of an effort to do so. This activity will work in close connection with information derived from the IAEA and support and supplement the IAEA's work.

3. OPPOSITION AND SUPPORT INSIDE IRAN AND THE UNITED STATES

3.1 DOMESTIC PERSPECTIVE FROM IRAN.

The majority of Iranians and the majority of Iran's current leadership, including the Supreme Leader, appear prepared to support a nuclear agreement with the P5+1 according to recent polls and reporting.³ Yet some opposition to an agreement remains strong and determined.

► **Opposition to an agreement.** Significant wariness of, and even outright resistance to, the nuclear agreement persists among hardline elements in Iran.⁴ Yet, once implementation of the agreement begins, it is difficult to predict how the opposition will impact the new political dynamics in Iran reflected in the election of President Hassan Rouhani in 2013, especially in the run up to the 2016 parliamentary elections as well as the election of Assembly of Experts, the entity responsible of choosing the next Supreme Leader. **Should Iranians see significant economic benefits from sanctions relief, the political dynamics will favor the moderates. However, there is also the chance that economic improvement will not be quickly apparent to individual Iranians, thus strengthening the opponents and disappointing those who held high expectations.** The traditionally hardline conservatives and others who oppose more open relations with the West will remain ready to pursue political advantage in unpredictable ways; U.S. policy on the nuclear agreement should not be based on any but carefully guarded assumptions concerning internal Iranian dynamics.

► **Support from Iran's leaders strong but mixed.** President Hassan Rouhani and Foreign Minister Mohammad Javad Zarif have led a government since 2013 that has displayed increasing commitment to a deal and they speak for significant constituencies that wish for a better future for Iran—international recognition and acceptance; and access to capital, technology, and markets. However, they do not control all significant aspects of Iranian policy, including some elements of foreign and security policy in Syria. The Iranian Revolutionary Guard Corps (IRGC) plays a particularly important policy role in Iran's neighborhood and is directly responsible to the Supreme Leader, Ayatollah Ali Khamenei. Khamenei has regularly expressed distrust of the United States and doubt about the ultimate outcome of the nuclear negotiations. His reluctance to commit fully to the negotiations is consistent with his mode of rule; it will allow him to accept or reject the final outcome and shift blame to his subordinates while keeping the opposition in control. The positive news is that he has permitted the process to proceed and supported Rouhani and Zarif in the effort.

► **Support for the agreement developing. Backing for an agreement from within Iranian society, particularly from the large youth population, flows from increasing frustration about the economic deterioration and unemployment resulting from the international sanctions and mismanagement of the economy during the 8-year Ahmadinejad administration.** In recent months the IRGC and other institutional conservatives in Iran have refrained from public attacks on the agreement, and recently given it support,⁵ suggesting that they are falling in line with Khamenei, who appears increasingly supportive. A nuclear agreement promises economic improvement as pledged by President Rouhani in

his successful election campaign in the spring of 2013. The internal danger remains that high expectations for economic improvement will not be met in the near term. **The U.S. intelligence community judges that Iran has not decided to build a nuclear weapon.⁶ Evidently both the Supreme Leader and President Rouhani have calculated that their, and their nation's, best interests lie with a future in which Iran is a non-nuclear-weapon state and is integrated into the community of nations rather than being ostracized and sanctioned.** It is highly unlikely that Iran's leaders would have proceeded this far down the negotiation path were this not the case.

3.2 THE DOMESTIC PERSPECTIVE FROM THE UNITED STATES.

The American public is still broadly distrustful of Iran and knows little about the technical issues of the negotiations but, according to several recent polls, the majority favors a negotiated agreement with Iran on its nuclear program.⁷

► **Opposition to an agreement.** Opposition in the U.S. Congress, particularly in the Republican majority, has gained intensity over the past two years. It reflects widespread American concerns about Iran and its intentions in the region, particularly regarding the impact of such an agreement on the security of Israel.

► **Bipartisan congressional action to permit conclusion of negotiations.** Following years of partisan debate, the Congress managed to pass in May 2015, a bipartisan bill led by Senator Corker (R-TN) and negotiated with Senator Cardin (D-MD),⁸ and signed into law by President Obama, the impact of which is to limit the threat of congressional action to block an agreement before it has been concluded. The bill gives Congress a say in the final agreement with Iran.

► **The executive agreement issue.** An important part of congressional concern has been the belief that Congress should have an important role in reaching the final agreement. Congress will be the major player in deciding on the future lifting of sanctions necessary for the United States to comply with its commitments under the agreement. The president maintains, however, that he is not required to seek formal congressional approval or ratification since it will be an "executive agreement." The nuclear deal will take a form that is similar to about 90 percent of the agreements that the United States has reached with foreign states,⁹ reflecting the constitutional authority of the president to conduct America's foreign relations. **Unlike some major arms control treaties or some international conventions that also have taken the form of "advice and consent" treaties requiring concurrence by a two-thirds vote of the Senate, the executive agreement on Iran's nuclear program will not limit U.S. armed forces or impose new legal obligations on U.S. persons.**

► **Congressional role crucial after the agreement.** In addition to a future congressional decision to approve or reject the revision of legislation governing economic sanctions on Iran, Congress **must also be an important player in overseeing implementation of the agreement, particularly with regard to working with the executive branch in monitoring and assessing Iranian compliance and in supporting a decision to respond should compliance be breached.**

4. U.S. AND IRANIAN BILATERAL RELATIONS AFTER AN AGREEMENT

The intense focus on the nuclear question by the U.S. and Iranian governments has left open the question of the type of relationship the United States might or should have with Iran in the future. **Many of the serious differences between the two countries will remain after the agreement and some may even be exacerbated because of the reactions to it from other nations in the region.**

4.1 IMMEDIATE DIPLOMATIC COMMUNICATIONS NEEDS.

Once a nuclear agreement is concluded **new channels for regular and direct bilateral communications will be essential to manage interpretations of and compliance with the agreement.** They will also be needed to manage a wide range of continuing issues with Iran, including concerns over Israel's security, Iran's support for Hezbollah and Hamas, its continuing backing of the Assad regime, the mounting tensions with Sunni states in the Gulf, and the crisis in Yemen. Other regional issues, such as cooperation in Iraq, Afghanistan, and combating ISIS and other terrorist groups, will need to be discussed. There is a particular urgency to set up a better direct hotline or emergency communications system between Iranian and U.S. naval forces in the Persian Gulf.

4.2 EARLY DIPLOMATIC RELATIONS EXCLUDED BUT NEW INTEREST SECTIONS POSSIBLE.

Normalization—or the establishment of diplomatic relations with Iran—is virtually excluded in the near future. However it may be worth considering soon a U.S. interest section in Tehran staffed by American diplomats and a similar Iranian interest section in Washington.¹⁰ **An American staffed office in Tehran could serve as a direct channel for U.S.–Iranian relations and handle transactions such as visa applications, cultural exchanges, and other consular services for American citizens.** It would also enable a direct line of communication for more substantive discussions beyond the nuclear file. Prior experience (such as U.S.–China relations in the 1970s) suggests that regular multipurpose channels of direct communications will be essential to avoid serious misunderstandings, design confidence-building measures, build private and official exchanges, and manage unanticipated crises.

4.3 ISSUING A PUBLIC DECLARATION ON U.S.-IRAN RELATIONS.

There might be some value in negotiating and issuing a public joint declaration of what the bilateral relationship will and will not be. **The Shanghai Communique, agreed to after the opening to China in 1972, offers a model for helping to clarify to each other and other states that while serious differences remain, there is also common ground; each nation retains some different objectives and both will seek to resolve those differences without conflict.**

4.4 DEALING WITH ISSUES AND CONFLICTS OUTSIDE THE NUCLEAR FIELD WILL BE ESSENTIAL.

Vigorous diplomacy will be essential on matters of immediate interest to both the United States and Iran, including the legacy of bilateral disagreements with origins in the Islamic Revolution of 1979. Both sides agreed in late 2013 for different but parallel reasons not to complicate the complex and politically fraught nuclear negotiations with other issues.

4.5 REGIONAL CHALLENGES AND OPPORTUNITIES.

Direct discussions on regional issues have been limited by both sides, pending conclusion on the nuclear negotiations. **But there is likely to be a need for diplomacy with Iran in coordinating or agreeing on parallel action in the fight against ISIS and other jihadist extremists, in building the future of Iraq and Afghanistan, and in exploring solutions in Syria and Yemen.** Certainly, the United States and Iran will have different approaches in each case, but Tehran's and Washington's objectives may coincide in some areas. The level of common cause will need to be explored soon while realizing that diplomatic cooperation between Iran and the United States will remain rooted in distrust, even if the nuclear deal is reached. Here the United States will need also to tread carefully to maintain the confidence of Israel and the Gulf States as it proceeds.

4.6 TWO YEARS OF NUCLEAR DIPLOMACY OPEN POSSIBILITIES AND CREATE NEW CHALLENGES.

Yet despite the achievements of the past 2 years in breaking the 35 years of almost no official communication, **bureaucracies of both governments will have difficulty developing the rapport necessary to overcome discord, distrust, and potential conflict on non-nuclear issues, including military issues in Iraq and Afghanistan.**

5. LEVERAGE: ROLE OF SANCTIONS AND TRADE

Sanctions have been a powerful instrument for the United States. Upon Iranian compliance with the nuclear agreement, reduction and removal of sanctions will be seen as a loss of U.S. leverage with Iran.

5.1 SANCTIONS ALONE DO NOT CONFER LEVERAGE.

Leverage comes from either the prospect that sanctions will be lifted (in return for compliant behavior) or the prospect that they will be imposed and maintained (in response to bad behavior). Any failure to use sanctions in this way means an undermining of their benefit in providing leverage.

► **Granting sanctions relief in exchange for severe restrictions on Iran's nuclear program will mean that sanctions have served their purpose.** Sanctions relief under these circumstances is exactly what several administrations and Congress had intended they would achieve.

- **The capability to “snap back” waived or suspended sanctions quickly in the event of non-compliance, as envisioned in the agreement, will continue to be an incentive for Iran to comply.**

The ability and willingness of U.S. Congress to re-impose sanctions in case Iran breaches the agreement are not in doubt, but it is not certain that other nations will fully agree on the nature of a breach of the agreement or feel bound by an agreement that requires them to renew some or all sanctions if a violation is found. The United States has considerable capability on its own to create sanctions pressure, but it will need also to move carefully to avoid disputes with partners and allies.

5.2 LEVERAGE FROM TRADE AND ECONOMIC RELATIONS.

The more that economic and trade relations with Iran develop, the greater the stake that Iran will have in complying with its obligations under the nuclear agreement. Iran's leadership now seems determined to improve the economy and that is likely to be a strong disincentive to return to the past. On the other hand, increased wealth in Iranian hands could have the effect of increasing its assertiveness and confidence.

- **If the United States rejects the pending nuclear agreement for domestic political reasons, the current international sanctions regime would wither and collapse as Russia and China and even some European states would move forward with sanctions relief and trade,** leaving the United States with only bilateral sanctions leverage (likely to decline over time in terms of its effectiveness with other players) and a minor role in using trade relations as a potential incentive for Iranian compliance.

Endnotes

¹ The Additional Protocol is a legal document between a state and the IAEA, granting the IAEA complementary inspection to the country's safeguards agreement. This broadens the access granted to inspectors as well as the information to be reported. A key objective is to enable IAEA inspectors to provide assurances about both declared and possible undeclared activities. For more, see "IAEA Safeguards Overview: Comprehensive Safeguards Agreements and Additional Protocols," International Atomic Energy Agency, October 14, 2014, <https://www.iaea.org/publications/factsheets/iaea-safeguards-overview>

² Iran agreed to Code 3.1 in the additional protocol in February 2003. It requires Tehran to provide design information for new nuclear facilities "as soon as the decision to construct, or to authorize construction, of such a facility has been taken, whichever is earlier." In 2007, Iran argued that it was only obligated to adhere to the previous iteration of its subsidiary arrangements, which required 180 days notification for a new facility before introducing nuclear material into it. As part of the November 2013 Joint Plan of Action, Iran has submitted all information, including on its heavy water plant, Arak. Paul K. Kerr, "Iran's Nuclear Program: Tehran's Compliance with International Obligations," Congressional Research Service, April 28, 2014, p 6, <http://fas.org/sgp/crs/nuke/R40094.pdf>

³ Ayatollah Ali Khamenei, whose recent public pronouncements have usually been skeptical about the talks, promised in a speech to Iranian air force officials that "I would go along with the agreement in the making," the official Islamic Republic News Agency reported. See Paul Richter, "Iran's Supreme Leader Suggests He Would Back Nuclear Deal in the Works," *Los Angeles Times*, February 8, 2015, <http://www.latimes.com/world/middleeast/la-fg-iran-nuclear-20150209-story.html>. On the Iranian people supporting the framework agreement, see Robert Mackey, "Iranians Celebrate Agreement Online and in the Streets," *New York Times*, April 3, 2015, <http://www.nytimes.com/2015/04/03/world/middleeast/iranians-celebrate-agreement-online-and-in-the-streets.html>

⁴ In direct response to a pending bill in the U.S. Congress in February 2015, on possibly passing additional sanctions against Iran, the Iranian parliament also considered a bill requiring President Hassan Rouhani to halt implementation of the interim nuclear agreement with the West in the case of further sanctions. See Saeed Kamali Dehghan, "Iran Could Halt Nuclear Agreement With West if U.S. Imposes Further Sanctions," *Guardian*, February 3, 2015, <http://www.theguardian.com/world/iran-blog/2015/feb/03/iran-could-halt-nuclear-agreement-over-us-sanctions>. On other mixed reviews on the negotiations from within Iran, see Alex Vatanka, "What Iranians Are Saying About the Nuke Deal," *National Interest*, April 4, 2015, <http://nationalinterest.org/feature/what-iranians-are-saying-about-the-nuke-deal-12543>

⁵ Arash Karami, "IRGC Supports Nuclear Framework Deal," *Al-Monitor*, April 2015 <http://www.al-monitor.com/pulse/originals/2015/04/iran-jaffari-lausanne-nuclear-deal.html#>

⁶ James R. Clapper, Director of National Intelligence, "Statement for the Record: Worldwide Threat Assessment of the U.S. Intelligence Community Senate Armed Services Committee," February 26, 2015, http://www.dni.gov/files/documents/Unclassified_2015_ATA_SFR_-_SASC_FINAL.pdf

⁷ "American Voters Back Iran Deal by Wide Margin" Quinnipiac University, April 27, 2015, <http://www.quinnipiac.edu/news-and-events/quinnipiac-university-poll/national/release-detail?ReleaseID=2222>. "By a nearly 2 to 1 margin, Americans support the notion of striking a deal with Iran that restricts the nation's nuclear program in exchange for loosening sanctions, a new Washington Post-ABC News poll finds." Scott Clement and Peyton M. Craighill, *Washington Post*, March 30, 2015, http://www.washingtonpost.com/world/national-security/poll-2-to-1-support-for-nuclear-deal-with-iran/2015/03/30/9a5a5ac8-d720-11e4-ba28-f2a685dc7f89_story.html

⁸ The "Corker-Cardin" bill grants members of Congress a congressional review period, including reporting and oversight provisions, and the possibility to vote up or down on the Comprehensive Joint Plan of Action. For full text of the bill, otherwise known as S.615 – Iran Nuclear Agreement Review Act of 2015, go to: <https://www.congress.gov/bill/114th-congress/senate-bill/615/text>

⁹ The Congressional Research Service states in a 2015 report that "The great majority of international agreements that the United States enters into are not treaties but executive agreements—agreements entered into by the executive branch that are not submitted to the Senate for its advice and consent. Congress generally requires notification upon the entry of such an agreement." Michael John Garcia, "International Law and Agreements: Their Effect Upon U.S. Law" Congressional Research Service, February 18, 2015, <https://fas.org/sgp/crs/misc/RL32528.pdf> A report from the Council on Foreign Relations found that "The president has the option of issuing an executive order to carry out treaties without Senate consent. Executive agreements constitute roughly 90 percent of all U.S. international agreements." Toni Johnson, "Congress and U.S. Foreign Policy," Council on Foreign Relations, January 24, 2013, <http://www.cfr.org/united-states/congress-us-foreign-policy/p29871>

¹⁰ Al Kamen, "Iran and U.S. Cut Deal on New Diplomatic Offices in Washington, Tehran," *Washington Post*, May 8, 2015, <http://www.washingtonpost.com/blogs/in-the-loop/wp/2015/05/08/iran-and-u-s-cut-deal-on-new-diplomatic-offices-in-washington-tehran/>