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# Constraining Iran's Nuclear Program: Assessing Options and Risks

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15 November 2007

<http://www.managingtheatom.org>

# Assessing impact on U.S. security

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- ◆ Range of options for next steps in dealing with Iran's nuclear challenge
- ◆ Not about who did what wrong when, which of Iran's actions were violations – should be about how do we best play the hand we have today
- ◆ Each should be assessed on the basis of *expected risk* to U.S. and international security, given:
  - Probability of success/failure
  - Remaining risks if successful
  - Risks if the option fails
- ◆ No good options from here – choice is among the least bad

# Balancing objectives

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## ◆ U.S. objectives:

- No Iranian nuclear weapons
- To the extent still practicable, broad and verifiable gap between permitted nuclear activities and a nuclear weapons capability
- Addressing – or at least not making worse in a nuclear deal – Iranian behavior on Iraq, terrorism, Israel, etc.

## ◆ Iranian objectives:

- Preserving regime, avoiding attack
- Status and prestige as leader of developing, Islamic worlds
- Recognition of its regional power and role
- Economic development
- Civilian nuclear energy
- Nuclear weapons option (or more?)
- Improving relations with Europe, the United States, others

# Facts any policy must cope with

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- ◆ Iran has 2000-3000 centrifuges in place at Natanz
- ◆ Iran has substantial (though not complete) enrichment knowledge – can't be destroyed or negotiated away
- ◆ Intense U.S.-Iranian hostility, distrust
- ◆ U.S. has many issues with Iran – Iraqterrorism, Israel, etc. – going well beyond nuclear issue. And Iran has many issues with the United States
  - Limits what can be offered for nuclear deal (e.g., diplomatic recognition, security assurances)
- ◆ Many other states – Europe, Russia, China, Israel, Gulf states, etc. – also have major interests at stake
- ◆ Iran has huge reserves of oil and gas – impossible to completely isolate, exclude from world economy

## Facts any policy must cope with (II)

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- ◆ Israel, Gulf states have major concerns over growing Iranian power, will push hard for their preferred outcomes
- ◆ All outcomes will have an impact on nonproliferation regime, credibility of Security Council, and more
- ◆ Iranian government is sclerotic, factionalized, has immense difficulty making hard choices
  - Negotiated deal would require giving Iranian advocates of compromise enough to convince Ayatollah Khamenei to say “yes”
- ◆ U.S. government also factionalized, difficulty making major decisions
- ◆ U.S. 2008 elections, Iranian elections (for president in early 2009) will make it harder to make difficult choices
- ◆ Iranian government has succeeded in framing issue as “colonial powers trying to take away our God-given right to technology” – makes compromise difficult

# Centrifuges at Natanz



*Source: Dr. Mohammad Saeidi, Atomic Energy Organization of Iran, presentation to the World Nuclear Association, 2005*

# Option 1: Status quo

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## ◆ Current policy:

- Demand zero centrifuges in Iran
- UN, U.S., and European sanctions
- No negotiations unless Iran suspends enrichment and reprocessing
- Moderate incentives package – for negotiation if Iran suspends

## ◆ Iranian response:

- Ignore Security Council demands; continue installing centrifuges
- *But*, modest new openness to the IAEA, intra-regime debate over possible compromise

## ◆ Assessment:

- Probability of success: very low
- Risk if successful: low
- Risk if not successful: high to very high
  - » High probability leads to no agreement, therefore unconstrained Iranian program or military strikes
- Expected risk: high

# Option 1a:

## Status quo + more sanctions

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- ◆ Additional sanctions might include:
  - Additional U.S., European financial institution sanctions – hits Iranian banks, ability to finance trade
  - Sanction Iranian gasoline imports (~40% of Iran's supply)
  - Cut off all weapon sales
  - Ban on oil exports off the table – world needs that oil
- ◆ Assessment:
  - Probability of success: low
    - » Russian and Chinese support for tough sanctions is weak
    - » Iranian culture of resistance to foreign pressure
  - Risk if successful: low
  - Risk if not successful: high to very high
    - » Similar high probability of no agreement, leading to unconstrained Iranian program or military strikes
  - Expected risk: high

# Option 1b:

## Status quo + stronger incentives

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- ◆ Possible stronger incentives:
  - “Action-for-action, words-for-words” as in DPRK case
    - » Specific actions, beyond talks, that U.S. and Europe would *commit* to, not just promise to talk about, if Iran suspends
  - Security assurance? Diplomatic recognition? – hard because of other issues
  - Broader dialogue on Iran’s regional role, Iran’s security concerns, U.S. concerns over Iraq, terrorism, Israel...?
- ◆ Assessment:
  - Probability of success: low
  - Risk if successful: low
  - Risk if not successful: high to very high
    - » High probability leads to no agreement, therefore unconstrained Iranian program or military strikes
  - Expected risk: high

# Option 1c:

## Status quo + direct negotiations

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- ◆ U.S. could agree to enter negotiations without suspension – as it did successfully with DPRK
  - Makes possible end to current no-talks impasse, discussions to address mistrust, misunderstandings
  - But talks only help if sides have offers the other will consider
- ◆ Assessment:
  - Probability of success: low
  - Risk if successful: low
  - Risk if not successful: high to very high
    - » Still high probability leads to no agreement, therefore unconstrained Iranian program or military strikes
  - Expected risk: high

# Option 2: Seek a “Grand Bargain”

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- ◆ Open negotiations on broad deal that would address:
  - Nuclear program
  - Terrorism
  - Israel
  - Iraq
  - U.S. sanctions, diplomatic recognition, security assurances
  - Iran’s regional role, Persian Gulf security
- ◆ Pros: may not be possible to solve nuclear issue without addressing Iran’s security concerns, to do that may have to address the other issues; if successful, could dramatically improve regional security picture
- ◆ Cons: neither political system may be ready for the needed hard choices and compromises; requires unraveling decades of difficult issues

# Option 2: Seek a “Grand Bargain” (II)

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- ◆ Assessment:
  - Probability of success: low to medium
    - » Hawks in both countries will work hard to derail
  - Risk if successful: very low
  - Risk if not successful: high
  - Expected risk: medium-high

# Option 3: Limited compromise

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- ◆ Many possible variants – designed to give Iranian advocates of compromise a chance of convincing Khamenei
- ◆ One example:
  - P5+1 agrees to allow some operational centrifuges in Iran
  - Iran agrees to limit to 1-4 cascades in above-ground plant (other centrifuges in place, but not operating)
  - All centrifuge operations, R&D, manufacture (also other sensitive nuclear operations) internationally owned, 24/7 int'l staff
  - Iran agrees to Additional Protocol + transparency measures
  - P5+1 implement incentives package (trade, nuclear assistance, etc.)
  - Bilateral and multilateral dialogues established to address other issues over time – recognition, end to sanctions on table if these other issues successfully addressed
  - U.S. pledges no attack, no attempt to overthrow regime as long as (a) Iran complies with nuclear obligations, (b) Iran does not commit or sponsor aggression or terrorist attacks against others

# Option 3:

## Limited compromise (II)

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- ◆ Risks of permitting some centrifuges in Iran
  - Iran would be able to advance its knowledge of enrichment technology – could be applied to covert facilities
    - » *But*, Iran's knowledge of P-1-level technology already fairly extensive, growing
  - Easier for IAEA to verify zero activity – any activity a violation
    - » *But*, 24/7 international staff provides increased transparency
    - » Any activity outside international arrangement still a violation
  - Precedent: despite Security Council demands for total suspension, Iran would have ended up with some centrifuges operating
    - » *But*, Iran would have accepted new international arrangement, in the direction of international control of *all* enrichment and reprocessing ElBaradei and others have called for

# Option 3:

## Limited compromise (III)

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- ◆ Virtues of international ownership and staff
  - Seizing facility for use in a nuclear weapons program means expropriating others' property – higher political barrier
  - 24/7 staff far more likely to notice covert diversion attempts
  - 24/7 staff build relationships with the key Iranian experts, provides much greater transparency on status of Iranian program
  - Unexplained absences of key experts could provide indicator of covert activities
- ◆ Assessment:
  - Probability of success: medium-high
    - » Chances of Iranian agreement higher than options without face-saving way out
  - Risks if successful: medium
  - Risks if not successful: high
  - Expected risk: medium

# Option 4:

## Military strikes

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- ◆ Regime-change attack like Iraq 2003 not do-able
  - U.S. bogged down in Iraq
  - Iran 3x territory, population, has stronger military
- ◆ Limited strikes only realistic option
  - Could destroy Natanz, Isfahan, Arak, related facilities
  - Likely also involve strikes on air defense, missiles, command and control...
- ◆ Impact on nuclear program:
  - Would likely set existing program back several years
  - Could not destroy knowledge of how to make centrifuges
  - Would likely make Iran much more determined, likely would build covert centrifuge facilities, pull out of NPT, go straight to nuclear weapons
  - Net negative for efforts to constrain Iran's nuclear program, not "the answer"

# Option 4:

## Military strikes (II)

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- ◆ Risks of military strikes
  - Iranian responses in Iraq
  - Iranian military responses – missiles, attacks on Gulf, etc.
  - Iranian responses through Hezbollah
  - Skyrocketing oil prices
  - Inflammate anti-Americanism in Islamic world, further assist al Qaeda recruiting
  - Likely global condemnation of U.S. action – makes agreement on other foreign policy issues (including proliferation) more difficult
- ◆ Assessment:
  - “Success” difficult to define
  - Expected risk: very high

# Steps that should be taken regardless

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- ◆ Insist on far-reaching inspections, transparency in Iran
- ◆ Redouble efforts to interdict black-market nuclear networks
- ◆ Establish international fuel supply and fuel take-away programs to encourage states to rely on international supply, rather than their own enrichment and reprocessing
- ◆ Intensive efforts to reassure U.S. allies in the region, convince them they do not need nuclear weapons options, prevent them from undertaking enrichment, reprocessing
  - “Proliferation cascade” is key scenario to avoid
- ◆ Major effort to repair nonproliferation regime worldwide
  - Long list of steps that need to be taken
  - To get non-nuclear-weapon states to agree to more constraints, weapon states will have to be seen as living up to their end of the bargain, accepting constraints on their own programs

# Conclusions

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- ◆ Ultimately, three options:
  - Acquiesce
  - Negotiate a deal
  - Launch military strikes
- ◆ Zero centrifuges in Iran would be the best outcome for U.S. and international security. But the best may be the enemy of the tolerable. Insisting on zero centrifuges is likely to lead to no agreement – so unconstrained Iranian program or military strikes
- ◆ It is time to begin thinking about what the least bad non-zero options might look like – they may offer the lowest risks to U.S. security of the many bad options now available
- ◆ Kennedy: key lesson of the Cuban missile crisis is the need to give your adversary a face-saving way out
- ◆ Iran's program is progressing – *time is not on our side*

## For further reading...

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- ◆ Almost all Managing the Atom work available at:
  - <http://www.managingtheatom.org>
- ◆ For securing, monitoring, and reducing nuclear material stockpiles, see a major web section we maintain for the Nuclear Threat Initiative, *Securing the Bomb*:
  - <http://www.nti.org/securingthebomb>
- ◆ Includes hundreds of pages of analysis, links, and databases, and our most recent report:
  - *Securing the Bomb 2007* (September 2007)
- ◆ For regular e-mail updates from Managing the Atom, write to [atom@harvard.edu](mailto:atom@harvard.edu)