

The Final Nuclear Agreement with Iran: The Morning After

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Introduction

The framework agreement announced by Iran and the six world powers on April 2, 2015 is still not the final document; since the announcement both parties have presented different versions of the understandings. The details of the final binding agreement are to be discussed among the sides, and there is no doubt that the talks will run into severe difficulties and disputes, partly because of the opposition of important factions to the agreement in the making. But in light of the enthusiasm of the two leaderships to reach a deal and the detailed parameters agreed upon, there is considerable likelihood that these snags will not prevent attainment of a final agreement. A significant part of the work has already been done and the majority of the obstacles have been removed. Presumably the final agreement, if concluded, will not radically diverge from the framework of parameters already achieved.

Some of the parameters formulated that have important implications for Iran's future conduct include:

- a. In some aspects, the Iranian nuclear program will be stopped for 10-15 years – some components of the program will actually be rolled back – and some significant restrictions will be in effect during that period of time. Iran will be allowed to operate some 5,000 first-generation centrifuges, about half of the centrifuges currently in use. The remaining centrifuges will not be destroyed but will be closely supervised over the next 10 years. The stockpile of low grade enriched uranium will be significantly curtailed and reduced from 10,000 kg, enough for seven-eight nuclear bombs if further enriched, to only 300 kg, yet so far there

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is no agreement as to the future of the rest of the stockpile. If kept at that level, such an amount would make it difficult for Iran to break out to nuclear weapons in a short time. In addition, Iran will not be allowed to build new enrichment sites, enrich uranium beyond the level of about 3 percent, and operate advanced centrifuges during this period of time.

- b. The program will be under unprecedented supervision for many years, and will include Iran signing the IAEA Additional Protocol, which will impose on Iran more intrusive and comprehensive supervision than in the past, though not entirely foolproof. So far, however, there is no full agreement regarding components of the inspection.
- c. The purposes of the enrichment facility in Fordow and the heavy water reactor in Arak will change: Fordow will not enrich uranium for 15 years, and the Arak reactor will produce a much lower amount of plutonium.
- d. On the other hand, after 10-15 years, significant parts of the restrictions on Iran will be lifted and it will be able to develop a large enrichment program, including with the use of advanced centrifuges, whose development from the outset is not restricted. Moreover, because no nuclear facility will be closed and because the idle centrifuges will not be destroyed, Iran will be able to use them in the future should it decide to break out toward nuclear weapons.
- e. The verification system is also liable to be fraught with loopholes. So far the Iranians have avoided presenting the information required by the IAEA about the possible military aspects of their nuclear program, and they have refused to allow IAEA inspectors into the suspicious facility in Parchin, saying it is a military installation with no connection to anything nuclear. In light of this, the Director-General of the IAEA has stated repeatedly that he cannot determine that Iran is not working on nuclear weapons. It is unclear whether the supervision imposed on Iran will force it to change its conduct in this regard.
- f. According to Iran's demand, the nation's ballistic missile system is not covered by the agreement and the country is free to continue its development.
- g. If Iran meets its obligations, all sanctions connected to the Iranian nuclear program will be lifted, though at what pace is still unclear.

Based on these principles, the essay below seeks to assess possible developments after the signing of a final agreement, in terms of the conduct of Iran, the United States, and the region's nations, as well as the implications for Israel.¹

Iranian Policy

The key to what happens after the signing of the agreement will be Iran's conduct, which will, to a large extent, determine future trends related to the nuclear issue, the severity of the threat to the region, including Israel, and the nature of Iran-US relations. It will also affect Iran's status in the Middle East.

The starting question on Iran's policy after the agreement is signed is: will Iran continue to work to attain nuclear weapons, or will it be content to remain an acknowledged nuclear threshold state, as the agreement ensures? At this stage, there is no hard evidence that can enlighten Iran's future nuclear policy, since it has denied any intention to develop nuclear weapons. It is also possible that the Iranians themselves have postponed the decision to some future date. It is therefore only possible to try to assess the policy Iran may adopt on the question, making it necessary to reexamine the assessment frequently in light of information that will come to light as time passes.

That said, there should be no doubt that Iran is intent on acquiring nuclear weapons. Iran's strategic outlook, the vast effort it has invested in developing its nuclear program since 1987, and the steep economic and political toll it has paid to advance it have no other explanation than Iran's desire to possess the bomb. Three reasons apparently drive Iran's nuclear ambition: to deter enemies with strategic military capabilities, which in the past was Iraq but is today the United States and Israel; to promote its desire for regional hegemony; and to acquire prestige so as to strengthen the internal status of the Islamic regime.

The agreement to be signed between Iran and the six world powers will acknowledge Iran as a nuclear threshold state, i.e., a state possessing most nuclear fuel components, an advanced scientific-technological infrastructure, a store of fissile material (or at least a large amount of enriched uranium that can rapidly be turned into fissile material), and the ability to turn the fissile material into a bomb and outfit it with a delivery system. The only remaining element necessary to cross that threshold is the strategic decision to break out to the bomb.²

Recognition as a nuclear threshold state will not provide Iran with the same advantages of a full nuclear state, but will still give it added weight. It will not provide immediate deterrence against an enemy, but if the threat is not immediate, Iran will be in no hurry, knowing it can break out to the bomb within a year or less. Moreover, because of current circumstances, the

risk of a military strike – whether US or Israeli – seems low, and therefore the need to deter the enemy with nuclear arms is not urgent. At the same time, being acknowledged as a nuclear threshold state provides Iran with no small portion of what it needs to attain regional hegemony and strengthen the regime’s domestic position, because it entails international recognition of Iran’s technological ability to acquire the bomb on short notice.

Hence the more probable outcome is that Iran, with its status already bolstered as a nuclear threshold state, will not violate the agreement flagrantly and hurry to break out. An Iranian attempted breakout is liable to generate severe repercussions: the imposition of even harsher sanctions than those currently in place, perhaps a military strike, and the loss of all advantages of the agreement. One may assume that the US administration will make this explicitly clear to the Iranians. In addition, after 10-15 years the restrictions on Iran’s nuclear program will be lifted and its freedom of action in the nuclear sphere will be greatly expanded. It would therefore be preferable to Iran to wait until the restrictions are lifted and only then consider breaking out to the bomb. The timing will be more convenient, although presumably the US will make it clear that Iran will be punished severely should it try to break out even after the restrictions are lifted.

This means that Iran will not give up its dream of possessing nuclear weapons, but will in all likelihood opt to postpone its fulfillment to a more convenient time: after the restrictions are lifted, and when its nuclear capabilities will be much greater and perhaps more difficult to inspect. Still, Iran is liable to break out sooner, especially if it faces a new strategic threat

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that would force it to hurry to build an immediate nuclear deterrent or if it estimates that circumstances have created an opportunity for it to break out without having to pay a significant penalty. If Iran does decide to break out at any point, it is less likely to do so using the already known facilities, and is more likely to attempt to break out at a small, secret enrichment facility, where the breakout attempt would be discovered much later, if at all.³ At the same time, even if Iran remains at the nuclear threshold without crossing it, it will use the interim period to

improve its nuclear capabilities and train manpower; it will also be able to upgrade the centrifuges it is developing; and it will advance its missile program – on which there are no restrictions – so that if and when it decides

to break out to nuclear weapons it will be a more comprehensive move and on a shorter timetable. Even if Iran keeps the agreement, it is liable to exploit loopholes and ambiguities to advance its nuclear capabilities.

The fact that the agreement leaves Iran as a nuclear threshold nation will apparently force the United States to clarify ahead of time the countermoves it will take should Iran violate the agreement, and certainly if it transpires that Iran is breaking out to the bomb. This clarification is necessary both to deter Iran and to placate US allies, first and foremost Israel. But one year is liable to be insufficient for stopping an Iranian move, taking into consideration the time needed to identify the steps Iran has taken, prove they did in fact happen, understand their implications, have the intelligence communities arrive at a shared understanding, and decide together with other governments what countermoves must be taken.⁴ Indeed, in the first decade of the 21st century, Iran built two critical enrichment facilities covertly, in Natanz and Fordow; they were discovered only a significant period of time after construction started. Furthermore, the years it took to impose severe sanctions against Iran and the conduct of the US administration in the context of a military strike against the Assad regime in Syria after the latter employed chemical weapons against its own citizens demonstrate that early countermoves are not a foregone conclusion.

The Obama administration has publicly rejected a policy of containment and is committed to prevent Iran from obtaining nuclear arms. The current administration will likely uphold its commitment, in order to avoid undermining the trust of Israel and the Gulf states, and it will be eager to prove it was right to pursue an agreement with Iran and avoid pressure from Congress. However, certain factions in the United States and Europe feel that the administration should adopt a policy of containment rather than one of prevention. The next US presidential election is scheduled for the fall of 2016, by which time other policies might be pursued. The possible adoption of a policy of containment with new concessions to Iran and the existing acknowledgment of Iran's nuclear threshold status might make it easier for Iran to decide to break out to the bomb.

US-Iranian Relations

Since the second half of 2013, there has been an ongoing dialogue between the United States and Iran on the nuclear issue. While the two countries had some sporadic contact and engaged in limited cooperation in the past (such as in the Iran-gate affair, when the United States supplied a small amount

of arms to Iran in the mid-1980s during the Iran-Iraq War, and before the US invasion of Afghanistan in late 2001), these were of a circumscribed scope and short duration, leaving no lasting imprint on bilateral relations. This time the dialogue is intensive and under public scrutiny, conducted at the foreign minister level and with both Presidents interested in its upgrade: President Rouhani telephoned President Obama in late 2013, and President Obama sent a series of letters to Supreme Leader Khamenei, at least one of which was answered.

Moreover, the shockwaves in the Arab world of recent years created shared interests between the two nations. Both would like to stabilize Iraq and Syria, and in particular, both are eager to eradicate the threat ISIS poses to many nations and regional stability. The difficulty in dealing with this instability lay behind the US administration's acknowledgment that Iran plays an important role in Iraq and Syria and that it could act as a stabilizing agent in the region. Consequently, since mid-2014, the administration has been signaling the Iranian government that if it adopts a constructive approach, and especially if an agreement is reached on the nuclear issue, it will be possible to construct a system of mutual cooperation on regional issues, first and foremost stabilizing failing states and confronting jihadist organizations. The US administration's tentative forays have so far generated limited and indirect coordination with Iran on aerial attacks in Iraq, as at this stage both sides are careful not to venture too far in cooperation, both because of mutual distrust and because of their clashing interests.

However, the possibility for cooperation between the US administration and the Iranian government seems limited, even if an agreement is reached. One reason is an Iranian internal struggle. From the outset, the negotiations on the nuclear issue were attended by deep divisions within the most senior Iranian leadership. President Rouhani and Foreign Minister Zarif seem to be willing to show greater flexibility than others on the issues at hand, based on their understanding that reaching an agreement is critical for lifting the sanctions, which is a key to improving the nation's economic situation. By contrast, owing to its distrust of US intentions, the more radical branch of the regime – the radical religious establishment, the command structure of the Revolutionary Guards, and some member of parliament – demands that only limited concessions be made. So far, Supreme Leader Khamenei has supported the talks and backed Rouhani, apparently understanding that improving the economy is critical to Iran's interests, including the suppression of domestic ferment, and that it is impossible to have the

sanctions lifted without making some concessions. But Khamenei, deeply suspicious of the United States, occasionally warns of American motives, and from time to time has drawn red lines in the negotiations.

One may assume that if an agreement is reached, the Iranian hierarchy will be divided over future policy. An agreement could strengthen Rouhani's domestic standing as the one in charge of the nuclear talks and thus also responsible for the sanctions being lifted. From the start, Rouhani wanted to engage in dialogue with the United States, including direct contact with the US President, and was therefore subject to criticism by the radical camp at home. Obtaining the agreement would validate his policy and could strengthen the reformist camp, so that Rouhani could attempt to expand the dialogue with the US to include regional issues. He will also want to expand ties to draw US investments to Iran and improve the country's economy. At the same time, however, the radical camp could be emboldened, because a strengthened economy would free it of concern about a popular uprising. The radical camp, which sees the United States as its own and Iran's biggest enemy, will try to prevent any meaningful dialogue with it, believing that such a dialogue would undermine the foundation of the Islamic Revolution in Iran. Moreover, the radical camp can be expected to see the agreement as the basis for Rouhani's enhanced position, which is already viewed as a threat to the status of the radicals. In this struggle, Khamenei can be expected to rule that while the nuclear agreement is an important means to lift the sanctions, closer ties with the United States must not be forged.

The respective, conflicting interests of Iran and the United States also complicate any deeper relationship. Behind the current overlapping interests in terms of stabilizing Iraq, Syria, and Afghanistan, there are competing interests of much greater importance. The US administration would like to see the fall of Assad's regime, which it views as illegitimate, and would also like to help construct a moderate, pro-US, and pro-Western Iraqi regime that could lead a national reconciliation while taking account of Sunni interests. By contrast, the goals of the Iranian regime are to stabilize Assad's regime and ensure an Iraqi Shiite regime that is linked to Iran and cut off from the United States. Above all, Iran strives for regional hegemony, and its most important objective is to end to a US military presence in the vicinity of the Persian Gulf region and Iran. If the international coalition ultimately manages to eradicate the ISIS threat, the main winner will be Iran, because damage to that organization will help the elements with

ties to Iran such as the Assad regime and the armed Shiite militias. These opposing interests will almost inevitably limit the relations between Iran and the United States.

While a nuclear agreement can contribute to extending a US-Iranian dialogue in a more open and less charged atmosphere, this effect will in all likelihood be contained. As long as there is no fundamental change in the nature of the Iranian regime, the radical wing and Khamenei himself will presumably rein in Rouhani and his circle and make sure they do not grow too close to the United States.

Regional Ramifications

Already now, long before any agreement is concluded, there are many signs that Arab nations, especially the Gulf states, are worried about the agreement and its major implication: Iran will attain the status of an acknowledged nuclear threshold nation without having to concede its nuclear weapon ambition. Their concern stems from two main reasons: after the agreement is signed, Iranian conduct toward them will likely be even more aggressive and threatening than it is at present, and the agreement will provide Iran with a huge relative advantage in attaining regional hegemony once it is free of the pressure of sanctions and the threat of a military attack. While the Iranian threat will be vastly worst if and when it possesses nuclear weapons, even the status of being a threshold state is reason for concern, because that road could lead to the bomb.

Moreover, as an acknowledged, legitimate nuclear threshold nation, Iran is liable to strengthen its position as the cornerstone of the regional radical camp, especially given the US recognition of Iran's influence in Iraq and Syria and in the battle against ISIS. This recognition provides Iran with a certain degree of immunity, as seen when the administration avoided confronting Iran directly over its involvement in the fighting in Yemen so as not to undermine the nuclear negotiations. In this situation, the administration finds it more difficult than before to interfere in Iran's doings in Syria, Iraq, and Yemen, especially given the fact that even as the nuclear talks were underway Iran continued to help the Assad regime and the Houthis in Yemen and attempted, together with Hizbollah, to establish another terrorist front against Israel in Syria that would link Lebanon to the Golan Heights. Thus US concessions in the nuclear talks might be interpreted – both by Iran and the Arab states – as weakness. Regional nations seem concerned that the US administration is looking to grow

closer to Iran at the expense of their own – and Israel’s – relations with the United States. Just as importantly, lifting the sanctions will invigorate Iran economically, which in turn will help it advance its status in the region.

These concerns may lead regional nations to two possible responses. Some of the Gulf states may rely less on US support and begin to seek to engage with Iran, especially if Iran encourages this in order to promote regional cooperation. Rouhani will presumably be interested in such engagement, although the deep distrust between Iran and Saudi Arabia will likely limit this path. The other response might entail a decision on the part of Saudi Arabia, Turkey, and/or Egypt to develop their own nuclear programs. This possibility has been widely discussed, but if an agreement with Iran is signed these nations will have justification that will be difficult to refute, as they could demand to develop enrichment programs and receive the status of acknowledged threshold states, just like Iran, especially if they agree to restrictions on their nuclear programs.

Ramifications for Israel

The signing of a final agreement on the Iranian nuclear issue will place Israel in a difficult position. Israel has not been a party to the negotiations, and the US has even claimed that Israel has not been privy to some of the details under discussions during the talks. Israel’s capacity for affecting the outcome of the talks stemmed from the possibility it would take military action against Iran, a possibility that was of concern to the P5+1, and from the severe sanctions imposed on Iran, to a great extent the result of fear of an Israeli military operation. The ability to wield this pressure will be curtailed by an agreement: the sanctions will be lifted, albeit gradually, and even if Iran does not meet the conditions of the agreement it will be difficult to reinstate the sanctions unless it is clear that Iran is breaking out to the bomb or flagrantly violating the agreement; in addition, the military option against Iran will be taken off the table. The US will certainly not go the military route as long as the agreement is in place, and Israel will find it very difficult – though probably not impossible – to mount an attack on Iran because it will then stand accused of undermining an agreement signed by the world powers and would find itself in serious conflict with the United States. The military option would be back on the table – both for Israel and probably also for the United States – if Iran commits serious violations of the agreement and certainly if there are signs that Iran is breaking out toward the bomb.

In this situation, Israel's primary options will run through the United States and, to a lesser extent, the European governments. Subsequent to the conclusion of the formulation of principles, the US administration will likely make an effort to allay the fears of Israel and the Gulf states. This effort will, to a great extent, be attended by an a priori definition of the steps the US administration would commit to in case Iran violates the agreement and certainly in case it decides to break out to the bomb. In this context, Israel could also make use of its ties in Congress and urge legislation that would force the administration to take action against Iran – both the imposition of severe sanctions and military action against Iran's nuclear facilities – should it become necessary. In the longer term, if there is a dialogue between the United States and Iran, Israel could demand that the administration exert pressure on Iran to significantly change its approach to Israel, including ceasing to make declarations on destroying Israel and even recognizing its existence.

The signing of the nuclear agreement would forge a convergence of interests – preventing Iran from breaking out to the bomb and persuading the US administration to take every possible step to keep this from happening – between Israel and Saudi Arabia and the Gulf states. However, it is doubtful that these shared interests would develop into practical cooperation, both because of Saudi Arabia's traditional reluctance to cooperate with Israel and out of concern about an Iranian response.

The confluence of recognition of Iran's nuclear status, recognition of its regional influence, the removal of the international pressure, and the expected improvement to its economy will help Iran promote its regional agenda.

Conclusion

A signed agreement between the world powers and Tehran on the Iranian nuclear program would mean a whole new situation for Iran since the Islamic Revolution. On the one hand, it will be free of heavy external pressure. Iran has been subject to US and international sanctions for the last 35 years, though at first this was unrelated to its nuclear program and had to do with its involvement in terrorism. Once the sanctions are lifted, Iran will no longer suffer its partial isolation and will be brought back into the fold of civilized countries – also important to

Iran – and its economy will be free to flourish once again. In fact, as soon as restrictions are eased, many governments and financial institutions will likely flock to Iran to vie for their slice of the large Iranian market. The

chance that military action will be taken against Iran will be significantly reduced, though not erased. On the other hand, Iran will have the status of an acknowledged nuclear threshold nation and will maintain its ability to break out to nuclear arms whenever it decides to do so. Furthermore, the agreement is scheduled to be signed while the US administration recognizes Iran's regional weight, especially in Syria and Iraq and in the fight against ISIS. The confluence of recognition of Iran's nuclear status, recognition of its regional influence, the removal of the international pressure, and the expected improvement to its economy will help Iran promote its regional agenda.

There is little likelihood that after an agreement is signed Iran would concede its nuclear weapons ambitions; it will simply have conceded to postpone this drive by 10-15 years. The fact of the matter is that the termination of parts of the program and the rollback of others are reversible. The restrictions imposed on Iran will be lifted and Iran will be able to restore the capabilities it is currently willing to restrict. The most likely scenario is that Iran will not hurry to violate the agreement and cross the nuclear threshold, because it would seem preferable to wait at least until the end of the 10-15 years, as it would then be able to effect its breakout with greater ease. Iran might opt not to wait until the restrictions are lifted, should it perceive a significant strategic threat and need immediate nuclear deterrence, or if regional and/or international circumstances arise whereby Iran would be able to break out with relatively little fear of severe repercussions. But even if Iran decides to suspend its decision to break out for many years, it will exploit its status as a recognized threshold nation to enhance and upgrade its nuclear capabilities as well as its missile program, thereby laying the groundwork for a breakout at its convenience.

The Obama administration has committed to keep Iran from obtaining nuclear arms. The question is to what extent it can actually meet this commitment should Iran try to break out to nuclear arms after the sanctions on Iran are lifted and these prove difficult to reinstate rapidly, and given the fact that to date, the administration has shown great reluctance in taking military action against Iran. Another question is if, given these difficulties, the United States will not abandon its

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policy of keeping nuclear arms from Iran in favor of a policy of containment aimed at deterring it from using the nuclear arms it will already have, or almost have, at its disposal.

Notes

- 1 See the series of essays published in early 2015 by the Rand Corporation, *The Days after a Deal with Iran*, at <http://rand.org/international/cmepp/the-days-after-a-deal-with-iran.html>.
- 2 Amos Yadlin and Yoel Guzansky, "Iran on the Threshold," *Strategic Assessment* 15, no. 1 (2012): 7-14, [http://www.inss.org.il/uploadimages/Import/\(FILE\)1337250215.pdf](http://www.inss.org.il/uploadimages/Import/(FILE)1337250215.pdf).
- 3 Gary Samore, "Prospects for the Iran Nuclear Negotiations," in *The Days After a Deal*, Institute for Policy and Strategy, Interdisciplinary Center, Herzliya, December 2014.
- 4 Michael Hayden, Olli Heinonen, and Ray Takeyh, "The Iran Time Bomb," *Washington Post*, March 22, 2015.