

The Iranian Nuclear Program: Waiting for Obama

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In March 2008 the UN Security Council imposed a third round of economic sanctions on Iran. Like the preceding rounds, these sanctions lacked force and did not propel Iran to suspend its nuclear program. Since then, however, very little has been done to obstruct Iran's race to obtain nuclear weapons. Approaching the end of its term, the Bush administration lacked the energy to mobilize efforts to stop Iran. The Obama administration is still feeling its way on the Iranian issue, and wants to try a new path – direct dialogue – in the hope that this will produce better results. European governments are waiting for the US administration to make a move, and it is unlikely they will confront Tehran with serious obstacles. Meanwhile the Iranian nuclear program is moving ahead without interference.

The Obama Scenario: Direct Dialogue

President Obama's initiative to engage Iran in direct dialogue and persuade it to halt its drive to nuclear armament has not fully taken shape. It is not clear if the administration intends to conduct bilateral talks with Iran or involve other governments in the talks, and whether the administration plans to focus mainly on the nuclear question, or whether from the outset it will try to extend the agenda to cover all current issues in American-Iranian relations. Nor is it clear what incentives it will offer Iran to suspend the nuclear program, what it will regard as success, and how much it is willing to concede on this matter.

Remarks by the president and his aides indicate that they are not very optimistic that a dialogue with Iran will succeed. The administration is

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apparently trying to conduct the dialogue, which has strong support in the US and Europe, in order to fully explore any possibility, however narrow, and in order to provide a better basis for imposing heavy sanctions on Iran after all diplomatic means have been exhausted, so that it can say that it tried everything. It therefore follows that the administration envisions at least two stages in dealing with the Iranian question. The first stage, direct dialogue in the framework of talks, has not yet been launched. If the talks fail, the administration in a second stage will strive to persuade the European, Russian, and Chinese governments to take its side, and will demand their cooperation in imposing severe sanctions on Iran in order to force it to abandon its nuclear program.

From the beginning Obama promised that he would take a hard line in talks with Iran and conduct them from a position of strength. So far, however, this tough approach is not much in evidence, and the administration has made a series of concessions that weaken its stance. It has abandoned the demand put forward by the Bush administration and European governments, backed by a UN Security Council resolution, that Iran suspend its uranium enrichment as a precondition for dialogue. The administration has avoided setting a clear timetable for dialogue, even though this reticence plays into Tehran's hands and allows Iran time to promote its nuclear program. It accepted the Iranian position that talks would begin after the Iranian presidential elections, thereby granting Iran at least six months without any negotiations or pressure whatsoever. In addition, the administration did not reach, and perhaps did not try to reach, agreement in advance with the other governments to stiffen sanctions against Iran in the event that the dialogue fails.

The most important concession, however, concerns the military option. Over the past year, even before the Bush administration left office, senior American defense officials made it clear, both on and off the record, that they opposed military action against nuclear facilities in Iran at this stage. Their principal grounds for opposing such action were that an attack on the facilities would not destroy the Iranian nuclear program; at best it would delay it, but Iran would subsequently reinforce and safeguard its facilities. Uncertain perhaps of the operational capability to achieve the desired results, they were

concerned about the Iranian response and the possibility that an attack would prompt a wave of instability in the region. No less important, senior US defense officials have for the present ruled out the possibility not only of an American attack, but also of an Israeli attack, and have underscored their expectation that Israel will not surprise the American administration with an attack against Iranian nuclear installations.

To this picture should be added the remarks in early July 2009 by Vice President Joe Biden, who said that as a sovereign state Israel was entitled to decide for itself what measures against Iran its interests dictated, whether or not the US agreed with them. According to Biden, if the Netanyahu government decides to change its current course of action towards Iran, it has the sovereign right to do so. At first glance, Biden's statement seemed to put the military option back on the table and signal that the administration does not rule out Israeli military action. This insinuation, however, was completely neutralized when President Obama quickly made it unmistakably clear that his administration was not giving Israel a green light for a military strike against Iran, even though he could not dictate to other countries what their security interests were.

However, instilling anxiety in Iran about a military strike is a key element in intensifying the pressure. In a well-known assessment from December 2007, the American intelligence community noted that Iran froze the military element in its nuclear program in 2003 probably due to Iran's fear of attack following the American military campaign in Iraq. While President Obama still mentions (less frequently since he entered the White House) that all options are open, this statement in itself, given the objections of senior defense officials to a military strike, can no longer have the necessary effect on Iran. When the threat of military action has receded to this extent and the threat of sanctions is also minimal, the chances of motivating Iran to suspend its nuclear program are slim.

The difficulties, misunderstandings, suspicion, and residual tension in American-Iranian relations that defeated many prior efforts to promote dialogue over the past 30 years can be expected to foil any new efforts.

The unrest in Iran following the presidential elections will complicate any potential dialogue even further. While the Obama administration

has decided that it is willing to initiate a dialogue with Iran despite the recent events there, such a dialogue will be more difficult once the legitimacy of the Khamanei-Ahmadinejad regime has been undermined in Iran and internationally. The US will find it harder to negotiate with a regime that has demonstrated its inflexibility by publicly repressing a broad popular movement that seeks freedom of expression. It is also not clear how much effort the Iranian leadership will be able to invest in a meaningful dialogue with the American administration when its attention is perforce focused on internal affairs. Indeed, Tehran may try to use the internal situation as an excuse for dragging out the talks and gaining further time. On the other hand, the severe criticism in Western countries of the regime's internal behavior is likely to contribute to their readiness to intensify the pressure on Iran. At the same time, it is doubtful whether such criticism will help achieve real support in these countries for a military option against Iran, both because the opposition to such action is substantial, and due to concern that a military strike would unify the Iranian people in support of the regime.

It appears that the Obama administration took a soft approach to Iran in order to create the most comfortable possible conditions for dialogue. If the talks with Iran fail to make progress the US will likely toughen its stance, and since early July 2009 there are indications that this is in fact the trend to prevent Iran from gaining time through mere foot dragging.. Similarly, the G-8 announced in early July 2009 that if progress in negotiations with Iran was not forthcoming, they would be forced to take decisions at their next meeting, in September 2009. Defense Secretary Gates also clarified that Iran has until late September to respond affirmatively to the US offer of dialogue. In addition, the State Department requested ten nations to limit the sale of processed uranium – “yellow cake” – to Iran, assessing that Iran's supply of “yellow cake” will dry up by 2010.

Overall, however, the chances that direct dialogue between the US administration and Iran will stop the latter's nuclear program are poor, if such negotiations do in fact take place. The reason is simple: Iran will probably not abandon its drive to obtain nuclear weapons, which it regards as a primary strategic goal, and will exploit any arrangement to maneuver its way towards this goal. Moreover, the difficulties, misunderstandings, suspicion, and residual tension in American-

Iranian relations that defeated many prior efforts to promote dialogue between the two countries over the past 30 years can be expected to foil any new efforts.

If the dialogue fails to achieve progress, the administration will move to stiffen sanctions against Iran, and is investigating the leveling of heavy oil-related sanctions, as well as financial and trade pressures. However, the chances of persuading European governments and particularly Russia and China to take part in stronger sanctions may well be no better than in the past, even after the possibility of direct dialogue has been exhausted. The considerations of these governments remain as they were, and already in May 2009 the Russian minister of foreign affairs stated that Russia should not be expected to join in applying heavier pressure on Iran. Therefore these governments may agree to do more than in the past, but it is doubtful if they will endorse significantly stronger sanctions.

For this reason, the US administration must already consider a scenario in which dialogue does not halt Iran's effort to acquire nuclear weapons, and the administration finds itself unable to muster sufficient international support for a substantial stiffening of sanctions. There are three alternatives in this situation:

1. Undertaking a package deal with Iran, whereby Iran would be permitted to continue its nuclear program, including uranium enrichment, or in Iran's words, "to complete the nuclear fuel cycle," under tighter and mutually agreed inspection and restrictions. Obama hinted at this possibility in his speech in Cairo, when he recognized Iran's right to a nuclear program for peaceful purposes, if it fulfills the conditions of the Nuclear Non-Proliferation Treaty. In the political and professional community in Europe and the US there is growing willingness to accept this option as the lesser evil, in the hope that it will halt Iran's march to a nuclear bomb.
2. Returning to the military option. In principle this is possible, and Obama himself has already stressed, at least in the past, that he regards this as a legitimate option. If the administration weighs this as a realistic option, however, it will have to deal with the objections on the part of the American defense establishment and lay the groundwork in American and global public opinion, mainly in the Western world and the Muslim-Arab world.

3. Accepting the possibility that Iran will obtain nuclear weapons, despite the efforts to prevent it. The administration certainly regards this as the worst option, and is committed to preventing its materialization. Eventually, however, it may conclude that it is unable to prevent Iran from going nuclear at a reasonable price, as in the case of North Korea. If so, it will have to act in several directions before Iran acquires nuclear weapons: deterring Iran from considering the use of nuclear weapons, mainly against Israel; strengthening Israel's deterrent capability against a nuclear Iran with words and actions; curbing possible tendencies in other Middle Eastern countries to join the nuclear arms race; and preventing Iran from using its nuclear power to strengthen its influence in the Persian Gulf, mainly with respect to Saudi Arabia, the Gulf states, and Iraq. In July 2009 Secretary of State Clinton announced that the US would provide Israel with a nuclear umbrella against an Iranian nuclear attack, and would consider offering a defense umbrella in the Middle East against Iran's aggressive aspirations. Clinton's statements were designed to augment Israeli deterrence, and perhaps also to persuade Israel not to undertake a military option, strengthen the confidence and security of the Gulf states, and obstruct any momentum among Arab states to follow Iran's lead and enter a nuclear arms race. And yet while Clinton denied it, these same remarks might suggest that the administration has come to terms with a nuclear Iran and is preparing accordingly.

Although the worst scenario is acceptance of a nuclear Iran, the possibility of a package deal with Iran is highly problematic. The idea is to allow Iran to enrich uranium on its own territory under tighter inspection arrangements than at present, and on condition that the enrichment is low level and non-military. In a worse (and far less acceptable) scenario, Iran will be permitted to reach the nuclear weapons threshold and stop there, without actually producing a weapon. Since it must be assumed that Iran will not forego nuclear weapons, and given its expertise and many years of experience in concealment and committing fraud with respect to its nuclear activity, this arrangement will likely not stop Iran from obtaining nuclear weapons. This means that Iran is liable to exploit any arrangement to advance toward nuclear weapons, albeit at a slower pace.

Has the Obama administration already decided in principle to accept this kind of package deal? Probably not, for several reasons: to date the administration has not said so; it is not expressing optimism about the chances of reaching an arrangement; it is under pressure not to make this kind of deal, not only by Israel but also by moderate Arab countries;¹ and the administration presumably realizes that such a deal would be a major victory for Iran and would not prevent it from going nuclear. At the same time, if there is no progress by way of dialogue and it proves impossible to recruit support for harsher sanctions, the administration is liable to consent to such a deal, if it believes that the alternatives are worse.

The Iranian Perspective

Iran's status on the nuclear question is comfortable, given the current situation. It is subject to little pressure. The expectation of dialogue with the US gives Iran time to achieve progress in its nuclear program, with no quid pro quo on its part. The opposition of Western countries on the nuclear issue is eroding, which is likely to eventually lead to a package deal comfortable for Iran. Above all, the threat of military action has been frozen. There is another reason for Iran to celebrate: the international response to North Korea's behavior on the nuclear issue was limited and ineffective, which is encouraging Iran to move ahead.

Iran has an interest in direct dialogue with the US administration on its own terms. All four Iranian presidential candidates in principle supported such dialogue. Dialogue helps Iran gain time to move its nuclear program forward, and may relieve tension with the US, alleviate the American threat against Iran, and bring Iran out of its partial diplomatic isolation. If the dialogue achieves progress, it is likely to lead to an arrangement and cooperation with the US on bilateral and regional problems of importance to Iran. Now that the Obama administration has abandoned the precondition of uranium enrichment suspension and recognized Iran's right to maintain a civilian nuclear program, dialogue is likely to lead to an arrangement consistent with Iran's positions. In these circumstances, it is reasonable to assume that Iran's red line will be the demand for uranium enrichment on its territory, both because such an arrangement will leave it with the

possibility of continuing its development of nuclear weapons, and because there is a chance that this demand will be accepted in the talks.

Iran can profit in many ways from direct talks with the US. A positive outcome could strengthen Iran's regional position; generate an American commitment to refrain from undermining the Islamic regime; yield major economic and technological benefits for Iran, including for its oil industry infrastructure, which needs upgrading, and its civilian nuclear program; and lead to the cancellation of the American and Western sanctions against Iran. Iran, however, has been aware of these possible gains for several years, because most of them have been offered since 2002 in the framework of a comprehensive deal in negotiations with the European governments, backed by the US. Nonetheless, even in exchange for these benefits Iran was unwilling to abandon its quest for nuclear weapons, and Iran will presumably continue to embrace this strategic goal.

Iran is indeed taking full advantage of the time it has gained. According to the June 2009 report by the International Atomic Energy Agency (IAEA), Iran has accumulated a significant amount of low level enriched uranium. This will enable it to produce 25 kilograms of high level enriched uranium, considered enough to manufacture an initial nuclear bomb. Furthermore, according to the report, by the end of 2010, if not before, Iran will be able to produce four times this quantity. Iran achieved this capacity several months earlier than expected, due primarily to the installing and effective operation of a large number of centrifuges for the enrichment of uranium.² Even outgoing IAEA director general Mohammad ElBaradei uncharacteristically admitted in June 2009 that Iran was attempting to obtain technology that would enable it to develop nuclear weapons.

Iran will be hard pressed if its dialogue with the US administration fails and the US somehow succeeds in recruiting international support for significant sanctions and if the administration puts the military option back on the table. If the sanctions are effective, for example in the Iranian oil sector, they are liable to be painful, particularly in view of the global economic crisis and the drop in oil prices compared with last year. Even in this case, however, it is more likely that Iran will not abandon its basic aim of attaining a nuclear military capability. The Iranian regime is liable to decide to incur a high economic cost for some

period of time, provided that it eventually gets its hands on nuclear weapons.

The Significance for Israel

Although Israel is at the forefront of the countries threatened by Iran, it has no direct role in the diplomatic effort to halt the Iranian nuclear program. Israel conducts no negotiations whatsoever with Iran, and does not belong to the group of countries that does. Its influence on diplomatic efforts in this sphere is restricted to three aspects. First, Israel carries some weight with the American administration (and to a lesser degree with the European governments), which is aware that a nuclear Iran would pose a threat to Israel above all. Second, Israel can deliver whatever quality intelligence it possesses about the Iranian nuclear program, which can help intensify the pressure on Iran. Third, Israel's military option against Iran can also bolster the diplomatic pressure on Iran, both because Israel frightens Iran and because the European governments and so far the US as well are concerned about the consequences of this option, and may thus increase the pressure on Iran in order to avoid it.

Until now, Israel has not opposed the idea of dialogue between the Obama administration and Iran, both in order to enable the administration to explore fully the potential of such a dialogue and use it to exert heavier pressure on Iran, and in order to avoid an unnecessary confrontation with the administration that such opposition could create. If it develops, however, a dialogue could potentially arouse friction with the administration, which is liable to move in directions contrary to Israel's interests. Meanwhile, the administration's soft approach to Iran does not increase pressure on Iran; rather, it plays into its hands. Even more important, the administration is liable at some point to reach a comprehensive deal that leaves Iran with the possibility of continuing its quest for nuclear weapons, and may even reconcile itself to the scenario of a nuclear Iran. Averting these risks may therefore require a diplomatic and publicity campaign on Israel's part.

The administration's approach imposes significant limitations on Israel's military option, which is already complicated and problematic. Before Israel can decide on a military strike, it will have to answer a series of difficult questions: whether its intelligence is accurate enough

to enable it to significantly damage the targets; what the chances are that such a complicated operation will succeed; what the consequences of failure would be; the extent of damage to the Iranian nuclear program that an attack would cause and how long the program would be delayed; how Iran would respond to an attack on it; how other countries would respond; and what are the consequences of accepting a nuclear Iran.

The American position plays a particularly important role in Israel's considerations. If the administration decides to embark on its own military operation against Iran, it will thereby solve Israel's dilemma. Alternatively, Israel at the very least requires American understanding, if not consent, for its own military operation. If the American administration publicly objects to an Israeli attack, Israel will find it very difficult to act independently for two reasons: first, the Persian Gulf region is an operational theater for American forces, and an attack is likely to require coordination. Second and no less important, when such important American interests are at stake in an attack against Iran, Israel cannot afford to strike in the face of American opposition.

Finally, Israel has shared interests with moderate Arab countries, headed by Egypt and Saudi Arabia, in blunting the Iranian threat and preventing it from obtaining nuclear weapons. However, this group of countries is neither organized nor united, and they are hard pressed to endorse any joint action against Iran. It is extremely unlikely that this group will cooperate with Israel on this issue, other than in secondary and clandestine spheres.

Conclusion

In the current situation, there is no substantial obstacle to Iran's effort to obtain nuclear weapons. President Obama's decision to initiate a direct dialogue with Iran, which has meanwhile led to a soft approach towards Iran, has given Iran a great deal of time while subject to no pressure to halt its nuclear program. The internal unrest in Iran is liable to extend this period even further. The freezing by the US of its military option – and Israel's as well – nullifies one of the principal points of pressure on Iran. Iran is now on the path to a nuclear weapons capability, so far with no interference, while its progress in uranium enrichment is exceeding expectations.

Since Iran will likely not forego its strategic goal of obtaining nuclear weapons, the key lies with the Obama administration. The main risk is that the administration will come to terms with uranium enrichment in Iran, leaving Iran with the option of continuing its nuclear weapons program, or even worse, will accept the scenario of a nuclear Iran. The principal prospects for success require the administration to harden its attitude towards Iran significantly, including by persuading European, Russian, and Chinese governments to step up the sanctions and by unfreezing the military option. Increased pressure is not a guarantee that Iran will be stopped, because Iran is liable to decide to pay a heavy price to attain nuclear military capability, and because sanctions can be violated and bypassed. Without heavy pressure, however, there is almost no chance of obstructing the Iranian nuclear program.

Will internal Iranian developments affect its attitude on the nuclear questions? For now, the answer seems to be no. There is agreement among all parts of the Iranian political spectrum, both radical and reformist, that Iran should continue its nuclear program. Under internal pressure, the Iranian regime will be eager to demonstrate its power and success, including in the nuclear sphere. Potential lies in the long term, however difficult it is to estimate a timetable: whether a moderate regime will eventually emerge in Iran and alter its attitude towards the US and Israel. In that case Iran will assume a different and less threatening significance, even if it eventually obtains nuclear weapons.

Notes

- 1 During his visit to Cairo in May 2009, Secretary of Defense Robert Gates said the US was aware of concern among Arab countries about a grand bargain between it and Iran, but that this concern was entirely unrealistic, because it was unlikely that such a deal would be reached; AFP, Cairo, May 5, 2009.
- 2 See Ephraim Asculai, "World Passivity in the Face of Advanced Nuclear Challenges," *INSS Insight* No. 112, June 8, 2009.