# The Iranian Nuclear Issue: The US Options

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## The Attempt at Dialogue

Thus far the Obama administration's policy on the Iranian nuclear issue has been characterized by two approaches. The administration initially attempted to promote President Obama's initiative to develop a direct dialogue with Tehran in an effort to arrive at an agreement about the future of Iran's nuclear program. To that end, the administration was prepared to concede the precondition set by the Bush administration – suspension by Iran of its uranium enrichment program – and also allowed several postponements in starting the dialogue, which played directly into Iran's hands. The administration was not overly optimistic about the initiative, but believed that if Tehran were responsible for its failure, the administration would find it easier to enlist international support for increasing the pressure on Iran.

In practice, the dialogue focused on an agreement of a fairly limited nature, negotiated in the fall of 2009 between the European governments and the IAEA on the one hand and Iran on the other. The core of the agreement was the uranium deal: Iran was to transfer 75 percent of its low enriched uranium to Russia, which would transfer it to a third country; at the end of one year, fuel rods for the small research reactor in Tehran would be delivered to Iran. This deal offered Iran significant advantages: it did not prevent Iran from continuing to enrich uranium – in fact, it legitimized continued uranium enrichment there – thus allowing Iran to make up the amount of uranium it was supposed to remove in less than a year. In addition, approving the deal would have prevented international support for additional sanctions against Iran. However, by means of this

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deal the American administration hoped to buy time and postpone Iran's obtaining the capability to manufacture nuclear weapons; in that interim, it hoped to create an appropriate setting for more extensive negotiations.

Despite the clear advantages, Iran rejected the deal, due to a lack of trust in Western governments – and as such, a rejection of their conditions – and also because of internal disagreements. Iran subsequently accepted some of the conditions as part of an agreement with Turkey and Brazil concluded in 2010. In the meantime, however, circumstances changed, Iran's agreement was partial, and the Western governments rejected the new deal and nearly ignored it altogether.

## Exerting Pressure on Iran

Thus began the second stage of the Obama administration's policy, centering on pressures and sanctions. The focus was the June 9, 2010 UN Security Council resolution calling for a fourth round of sanctions against Iran, and the promotion of additional, independent sanctions – not agreed on in the Security Council – that Western countries began to enact. Although the sanctions stipulated in the Security Council resolution are far less severe than the administration wanted, the current round of sanctions, including the independent ones, comprises the most comprehensive and significant measures imposed on Iran. They are designed to limit the activities of Iranian banks and financial institutions, organizations and individuals linked to the Revolutionary Guards, and anyone connected to the nuclear program. They are meant to prohibit Iran from constructing new nuclear facilities or completing existing ones, and to prevent the sale of major conventional weapon systems to Iran. No less important, these steps include more stringent means of enforcement with the establishment of a supervisory committee overseeing implementation of the sanctions and through increased inspections of suspicious cargoes headed for Iran by sea and by air.

The independent sanctions primarily target Iran's energy sector. These include a ban on new investments and sales of equipment to Iranian oil and gas companies, which also impedes the development of new oil and gas fields. They impose new limitations on Iranian financial and insurance companies, thereby forcing ports and shipping companies to curtail their dealings with Iran. Because of limited insurance coverage,

Iranian ships carrying oil and goods to and from Iran will not be able to enter many ports.

Pressures and sanctions represent the core of the Obama administration's policy towards Iran now and for the near future. The policy is meant to demonstrate to Iran that it is paying too steep a price for its conduct in the nuclear field. However, the central question is: does the new round of sanctions have what it takes to motivate Iran to modify its approach on the nuclear issue? On the one hand, Iran finds itself partially isolated against a fairly wide international front, and these sanctions – should they be implemented properly – are capable of causing Iran more distress than preceding measures. On the other hand, it is still not clear to what extent the sanctions will in fact be implemented, and if the governments and commercial establishments involved will cooperate.

Moreover, since the revolution Iran has operated under a steadily growing regime of sanctions and has learned to skirt them, to come up with alternatives to blocked routes, and to minimize the damage caused. Iran already announced that no sanctions would change its nuclear policy and that while the sanctions might slow down the completion of the nuclear program, they would never stop it. Therefore, the Iranian leadership will likely decide to pay the price of the sanctions and complete the construction of its capability to produce nuclear weapons or even produce them in practice. In mid-July, CIA director Leon Panetta assessed that the sanctions would probably not deter Iran from its nuclear ambition. Indeed, most of the political public in Iran supports the regime's approach to the nuclear issue, and even the leaders of the reformist camp have openly expressed their reservations with regard to toughening the sanctions. Hence the concern is that responsibility for sanctions-related hardships would be laid at the door of the Western powers rather than that of the regime, and the sanctions would thus serve to rally the nation around the regime and strengthen it.

The key to the sanctions' effect on Iranian policy lies in two interrelated questions: to what extent will the sanctions be implemented, and how determined will the regime be to cope with them. These are open questions, perhaps even to the regime itself. To date, the regime has shown some signs of concern over the sanctions, and there are indications that the sanctions are having a greater effect than the regime anticipated. Furthermore, the fact that the regime is openly admitting

the possibility that the sanctions might slow down the completion of the nuclear program may be significant, if such a slowdown is considerable. Because it is now under pressure and is interested in curbing this wave of sanctions, Iran has proposed a renewal of the negotiations over the uranium deal with the West: it announced it would comply with uranium enrichment to the 20 percent level if it receives nuclear fuel for the research reactor in Tehran as part of the deal. In the near future, then, the Iranian regime is likely to show some tactical flexibility in its positions, without conceding its basic ambition to possess nuclear weapons.

Even if the pressure, sanctions, and firm position are the primary components of the Obama administration's Iranian policy in the near future, it does not mean that the administration will forego the attempt to return to the negotiations channel. On the contrary, as far as the administration is concerned, the sanctions are meant to bring Iran back to the negotiating table under pressure, thereby making it more likely that Iran will accede to the terms established by the West. Indeed, in late July 2010, the administration responded positively to the Iranian idea that the talks about the uranium deal be renewed. Obama himself suggested that the administration consider steps that could prove that Iran does not seek nuclear weapons after all.

Thus in the coming months the administration's policy will alternate between keeping up the pressure on Iran and perhaps even intensifying it, and attempting to use the pressure to extract concessions from Iran and promote an agreement, likely about the uranium deal, that would satisfy American demands. Sources within the administration linked to the negotiations are not optimistic that a deal on American terms will be approved. However, since Iran is asking for an end to the sanctions and since it already made some concessions in the deal with Turkish and Brazilian leaders, it is not impossible that in the end, Iran will agree to the administration's terms and approve the deal.

Whether or not an agreement is reached, in the coming months the administration will have to assess the effectiveness of pressure. The administration is still unequivocally committed to prevent Iran from obtaining nuclear weapons, despite the fact that so far its policy has not stopped Iran and that most doubt that Iran can be stopped this way. Yet at least in the near future, and certainly before it is clear that the policy of pressure has failed, the administration will likely not renege on this

commitment. The announcement by the Iranian regime a short time after the sanctions were authorized that sanctions might slow down the nuclear program, may be seen by the administration as a partial though important achievement indicating weakness on the Iranians' part.

The problem will come if over time it becomes clear that the policy of pressure is not achieving its goal, i.e., it is difficult to implement the sanctions, the slowdown is insignificant, and above all, Iran is not desisting from seeking nuclear weapons, even if the uranium deal goes through. Reaching such a conclusion may take time, because the effect of the sanctions will not be evident quickly and because the administration will continue to look for other ways of amplifying the pressure on Iran; it will not hurry to admit that its policy has been ineffective. Furthermore, what will the administration define as success and as failure? If, for example, an agreement is reached regarding the uranium deal, the administration may view it as a success, because it is likely to postpone Iran's attainment of nuclear capabilities, despite the fact that it allows Iran to continue enriching uranium on its soil. However because the Iranian nuclear program is progressing steadily, time to examine the sanctions' effectiveness is not open-ended. Technically, Iran will be able to create its first nuclear explosive device within a year or two, subject to a decision to break out towards nuclear weapons. Therefore, even if the sanctions are capable of being effective, their full impact may become clear too late, after Iran has already broken out towards nuclear weapons.

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## Alternate Options

If and when the administration reaches the conclusion that pressure has not constituted an effective policy, it will have to weigh alternate modes of response. The administration has not made clear – intentionally, it insists – what its future options are, but sources within the administration claim that alternate methods for dealing with the nuclear issue are under deliberation. These methods are presumably problematic and inauspicious, which may be the reason for the internal memorandum of January 2010, attributed to Secretary of Defense Robert

Gates, complaining that the United States has no effective long range policy for tackling the Iranian nuclear problem.[1] Not clarifying the alternate methods may stem from the administration's desire not to tie its own hands, not to allow Iran to prepare for them, and not to reveal its current policy's weaknesses.

If the policy of pressure is acknowledged a failure, the administration will be left with two primary courses of action: reconsidering the military option or preparing for a scenario of failure to stop Iran.

The military option is problematic, risky, and of questionable success, but it is feasible. In order to pursue this route, the administration will have to examine many dimensions. It will have to make sure that it has the necessary operational capabilities, including reliable, accurate intelligence about the targets. It will have to assess what damage it can expect to cause to the nuclear sites and the length of time that an attack will derail and delay the nuclear program. It will have to take into consideration Iran's response, which will be sure to come − including a response against United States allies, primarily Israel, and a response against American targets in Iraq, the Persian Gulf, and Afghanistan. Iran is threatening that in response to a military strike it will cut off the supply of oil from the Gulf. It is doubtful that it would do so over time, if at all, because the primary victim would be Iran itself. However, even if Iran does not block the flow of oil, a military strike could generate a crisis in the oil market, even if temporary. The administration will also have to consolidate internal and international support for a military move, perhaps even get the backing of the Security Council. And finally, the administration will have to assess the risk-to-benefit ratio of a military strike, and answer the question of where the greater danger lies − in a military operation or in a nuclear Iran.

Against the backdrop of these complex questions, the American administration is engaging in doublespeak. On the one hand, officials claim repeatedly that all options for handling the Iranian nuclear issue are on the table, including the military one. From time to time the administration even leaks some item having to do with preparations for a military action. In April 2010, officials said that the American defense establishment is busy preparing a set of military alternatives that will be presented to the president should diplomacy and sanctions fail to force Iran to change its course.[2] Moreover, in July 2010, Chairman of the Joint

Chiefs of Staff Admiral Michael Mullen stated that a military plan of action had been formulated for possible future use. However, since the middle of 2008, i.e., towards the end of the Bush administration, senior officials in the administration and the defense establishment, including Mullen himself, have also stressed that they do not see a place for a military strike against Iran at present, and that the administration is not giving Israel the green light to undertake such a move. Senior officials note two reasons for their reluctance to take the military route: the uncertainty and risks involved, and the assessment that a military strike would not in fact stop Iran's nuclear program but at most delay it by a few years. Unofficially, administration sources mention other reasons, including the American military's extensive involvement in Iraq and Afghanistan, making opening another front problematic, and the risk that Iran would respond by cutting off the flow of oil from the Gulf and promoting terrorist attacks in the Middle East and the West.

Thus the military option is still last on the American administration's list of alternatives – as it is on Israel's – because of the risks and uncertainty involved. There is no doubt that in the near future, as long as the administration feels there is a chance for diplomacy and the policy of pressure to succeed, it will not undertake a military strike and will have reservations about Israel doing so. The question is: to what extent will it change its position on a military strike once it assesses that the policy of pressure has failed? At present, the chance of the administration doing so is tenuous. At least some of the reasons for the administration's reluctance are not expected to diminish as time passes. However, the possibility exists and may grow over time. As evident from certain reports, it seems that the American defense establishment has recently given the military option more weight than it had in the past.[3] The administration will not be able to ignore the fact that Iran's acquisition of nuclear weapons will be a resounding defeat to one of the central components of US policy, and that this will have severe repercussions regarding US credibility and ability to act, creating far reaching dangers to American strategic interests of the highest order. Moreover, as long as the administration has a political-

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diplomatic option, it finds it convenient to defer the military option. This situation may change if and when the political option has been thoroughly tried and found wanting.

Therefore, while there are currently major reservations about a military strike, it is not out of the question that the administration will reassess the risk-to-benefit ratio. It may also be that withdrawing most of the American forces from Iraq and later from Afghanistan would make it easier to decide on a military operation in Iran, both because the administration would be able to devote more attention and resources to the arena and because its forces in the greater region would be less vulnerable to an Iranian response. The United States apparently has the capability of carrying out a series of repeated military strikes on nuclear sites that would delay the completion of the nuclear program by quite a few years. Although Iran would likely respond to a military attack against it with terrorism and missile fire – whether executed by Iran itself or through its proxies – its response capability is fairly limited, and it would have to avoid becoming bogged down in an extended military confrontation with the United States. And while at present other governments are opposed to a military strike, the administration has not yet tried to enlist internal and international support for such a move. Should it attempt to do so, a different picture may emerge, and even if the administration chooses not to use the military option it may use the threat of carrying it out as another way of intensifying the pressure on Iran.

Another method of action would be for America to green-light a military strike by Israel. The advantage of such a method, from the point of view of the American administration, is that responsibility for it and its repercussions would fall on Israel. However, the disadvantages outnumber the advantages. Israel has fewer capabilities than the United States to undertake such a strike, and if the administration supports an attack, then it is better done by the United States in order to ensure greater success. Moreover, should Israel undertake a military strike, everyone – especially Iran – will in any case assume that the United States was a partner and supporter, and therefore the Iranian response would target American interests. Even if the Iranian response were to be directed primarily at Israel, the United States might see itself as obligated to assist Israel against Iran, should the need arise. Given these reasons, if

the administration gives positive consideration to the military option, it may prefer that the option be managed by the United States rather than by Israel.

In any case, the timetable for carrying out a military move will also be limited by the status of the Iranian nuclear program. An attack on Iran's nuclear facilities could be effective only as long as Iran does not have nuclear weapons. Therefore, were the American administration to consider a military operation, it would have to derive its timetable from the approximate timetable of the nuclear developments in Iran.

The second alternative the administration is liable to face is accepting that it is incapable of stopping Iran from continuing to enrich uranium, because the sanctions have been ineffective and it balks at the military option. It seems that the administration has not yet reached this point, despite the fact that various experts, primarily from outside the administration, are convinced that in the end there will be no choice but to accept Iran's continuing with its uranium enrichment, and later to accept a nuclear Iran. At this stage, the administration still seems to think Iran can be prevented from obtaining nuclear weapons. However, if the administration does not succeed in blocking the continuation of uranium enrichment in Iran, it might in practice attempt to stop Iran at two later stages.

The first stage is to accept uranium enrichment in Iran but to come to an agreement with Iran about stricter international supervision of its nuclear installations, in order to ensure that it does not produce high enriched uranium (HEU) or construct a nuclear explosive device. In effect, the uranium transfer deal, discussed with Iran in the fall of 2009 and to which the administration is prepared to return under certain conditions, constitutes practical agreement to continued uranium enrichment in Iran. Even President Obama's statement that the administration is prepared to discuss how Iran can prove that it is not striving for nuclear weapons constitutes a willingness-in-principle to agree to Iranian uranium enrichment, once American terms are met. The second stage, should it prove impossible to prevent Iran from producing HEU, is to attempt via agreement to stop Iran at the threshold point, and remain with the capability of producing nuclear weapons without producing them in practice.

Both of these alternatives entail enormous risks. Iran has a long history of concealment and duplicity when it comes to the nuclear question, and it will be impossible to ensure full inspection and supervision of its nuclear program. Even closer supervision cannot prevent uranium enrichment to military grade. Therefore, the administration will likely seek to elicit prior international agreement for imposing harsh sanctions against Iran in case the latter violates its potential agreements with America. The significance of the second alternative, however, is even worse. Indeed, administration sources have made it clear that Iran will not be allowed to construct the capabilities needed to manufacture a nuclear bomb and remain on the threshold, because then it could quickly break out towards nuclear weapons, and it would be impossible to obtain intelligence that would warn of such a breakout in real time.[4] This means that if Iran becomes a threshold state, it will have to be regarded as a nuclear state. Therefore, the administration would presumably accept this option only if it had no choice, i.e., only if it decides not to undertake a military strike, because it assesses that the risks of the military option exceed the risks of the alternatives.

Two other options have been examined by the administration in recent years. The first is to assist in changing Iran's extremist regime. A regime change does not necessarily ensure the end of the nuclear program, because there is general support for it in Iran and all the leaders of the reformist camp were partners in its development when they were in power. Nonetheless, this is still the best option: even if Iran does obtain nuclear weapons, it is far more desirable that they be in the hands of a more moderate regime. However, the administration has no guaranteed way to effect such a change. It has long weighed the possibility of attempting to assist those demanding change in Iran, yet even during the crisis in June 2009 the administration chose not to intervene in internal Iranian matters beyond allocating budgets for propaganda and perhaps providing some monetary assistance to opposition elements. The administration's considerations were correct: if and when there are internal changes in Iran, these will result from internal processes rather than from external intervention. In the meantime, clear support for the opposition might harm it and present it as collaborating with external enemies. In any case, it is clear that the effort to change the regime in

Iran cannot be relied on by the American administration, because regime change can take a long time and it is in fact never a sure thing.

The second option is to try to disrupt the Iranian nuclear program by sabotaging equipment and technology and perhaps even personnel. For years, the administration attempted to disrupt the Iranian nuclear program by efforts to disrupt and prevent transactions involving the transfer of equipment and technology suspected of being linked to the nuclear program, especially through pressure on governments and companies. Quite often this proved successful, and there is no doubt that these efforts were a chief reason for the nuclear program being drawn out for so long. From time to time, there were reports of sabotage to equipment that was designated for the Iranian nuclear program, both in Iran and elsewhere, and these acts of sabotage were largely attributed to the American and/or Israeli intelligence communities. It is clear that over the years the Iranian nuclear program has encountered many technical glitches that have delayed it; however, it is unclear which stemmed from difficulties in operating the systems and which stemmed from some external factor. Although to this day the American and Israeli intelligence communities report on such glitches, it is doubtful that they can serve as the basis for a policy designed to stop Iran, especially since once Iran has control of nuclear technologies, sabotage cannot stop it in the long run.

## Methods of Action against a Nuclear Iran

The American administration has so far not related to preparing for a scenario in which Iran has nuclear weapons. The reason for this is clear: it is important for the administration to stress its determination to stop Iran before it becomes nuclear, and it is therefore unwilling to admit that it might give up and accept a nuclear Iran. However, one may assume that the administration is quietly examining and preparing responses for a scenario in which Iran has nuclear weapons, or will do so in the near future, because it cannot neglect them until the last minute or the day after. These responses would be designed to avoid or at least reduce the risks stemming from Iran's acquisition of nuclear weapons. Because the administration has not given out any information on such methods, it is possible to consider them only at the most general level.

The chief danger is that Iran will threaten to use nuclear weapons against Israel. In such a scenario, Israel would find itself in a different

situation than any of America's allies, because it would be the only nation required to take into account a nuclear attack by Iran, no matter the degree of such a risk. Because of the longstanding commitment to the existence and security of Israel, the American administration would have to take steps to prevent the danger of an Iranian nuclear attack against Israel. Such a commitment has an added element: if the administration continues to show reservations about an Israeli military strike against Iran, it would not be able to leave Israel without some sort of appropriate response to the nuclear threat. The administration would therefore have to contribute its part in constructing a response, not least as an important way of persuading Israel not to engage in an independent military operation.

Above all the United States would have to help strengthen Israel's deterrence against the possibility of an Iranian nuclear strike, which can occur in two principal ways. One is through supplies of military materiel, technology, and equipment to strengthen Israel's defensive capabilities – including defense against missiles and deterrence – and its ability to respond to the possibility of an Iranian nuclear attack. Such aid would be designed to convince Iran that attacking Israel would fail and that the Israeli response would have a seriously destructive impact. The other would be through clearly defining the administration's commitment to back Israel against the possibility of an Iranian nuclear attack, e.g., through an administration announcement that Israel was under its nuclear umbrella, positioning additional American units in Israel, or signing a defense treaty with Israel, should Israel be interested. In any case, the timing of the American steps is significant, because engaging in them too early might be interpreted as accepting a nuclear Iran.

Beyond this, the administration would have to take other steps to curb Iran's growing regional influence. For example, there is little doubt that should Iran acquire nuclear weapons, the administration would try to impose harsher sanctions in order to weaken it and reduce its ability to act. This was done in 1998 to India and Pakistan, albeit for a limited time, after they tested their nuclear weapons. Nonetheless, these sanctions would likely play primarily a punitive role, and will not be capable of turning back the clock.

A nuclear Iran is liable to take a more aggressive policy on a variety of issues towards its neighbors and Israel, in Iraq and the Gulf, and perhaps

even in terms of oil prices. The administration would have to consider how to handle a radical and aggressive Iran in terms of its own foreign policy. In addition, the administration would likely take additional steps to strengthen the security of the Gulf states in order to deflect Iranian pressures on them and to enhance the credibility of the United States, which would, as a matter of course, be damaged should it fail to stop Iran from becoming nuclear. The administration has already taken steps in this direction by stationing defensive anti-missile systems in the Gulf. At the same time, the administration would have to make sure that Iran's influence on Iraq would not grow even stronger once America withdraws its troops.

The danger than Iran would deliver nuclear weapons to terrorist organizations, in particular Hizbollah, is not high. However, the administration is concerned about such a scenario and would have to consider the possibility that Hizbollah too would be more aggressive once Iran has nuclear weapons.

One of the main concerns of the administration is that additional states in the region would try to join the nuclear club once Iran has the bomb. Likely candidates are Egypt, Saudi Arabia, Syria, Turkey, and in the longer term also Iraq. The US has a great deal of influence on most of these states, and it would have to apply it to curb a process that would destabilize the Middle East and the non-proliferation regime even further.

## Conclusion

In the short term, the Security Council resolution to impose a fourth round of sanctions against Iran places the American administration in a more convenient position to tackle the Iranian nuclear problem. The resolution imposes sanctions of a relatively broad scope, creates the basis for the imposition of complementary sanctions by Western governments, places Iran in an uncomfortable position, and creates the opportunity for slowing down the Iranian nuclear program. It also allows the Obama administration to present a cohesive policy for the immediate future, whose mainstay is the application of pressure and imposition of sanctions on Iran, with the support of a broad international front, but which also does not rule out dialogue with Iran on terms acceptable to the administration. Such a dialogue, if it develops, is likely to focus on the uranium transfer.

However, this policy may be limited to the short term. Later, probably during 2011, the administration will have to reexamine the effectiveness of its policy. The administration does not expect to see a full suspension of uranium enrichment in Iran and it will view a significant slowdown of the program as success. However, even if a real slowdown is not achieved and Iran continues going down the path to nuclear weapons and it becomes clear that time is running out, the administration will have to choose between two undesirable and highly problematic options: to reconsider the military option or to accept ongoing uranium enrichment in Iran, and later to accept Iran as a threshold state or even as a state possessing nuclear weapons.

In any case, any plan of action will have to take into account the timetable of the Iranian nuclear program. Technically, Iran will be able to construct its first nuclear device within a year or two. As Iran is progressing steadily on its road to nuclear capability, both the idea of getting the most out of the sanctions and the alternative of a military move will necessarily be affected by the estimated date by which Iran will have the capability to break out towards nuclear weapons.

## Notes

1 "Gates Says U.S. Lacks Policy to Curb Iran's Nuclear Drive," *New York Times*, April 17, 2010.

2 Ibid.

3 Ephraim Kam, "Is the Military Option Back on the Table?" *INSS Insight* No. 197, August 9, 2010, http://www.inss.org.il/publications.php?cat=21&incat=&read=4291.

4 *New York Times*, April 17, 2010.