

**PROLIFERATION GAMESMANSHIP:
IRAN AND THE POLITICS OF NUCLEAR CONFRONTATION**

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INTRODUCTION: THE ROAD TO FAILURE

On August 14, 2002, the National Council of Resistance of Iran held a press conference in Washington DC at which previously unknown details about the state of Iran's nuclear program were revealed. It was claimed (accurately) that Iran possessed a uranium enrichment facility at Natanz and a heavy water production facility at Arak. In one sense, this announcement was unsurprising. Iran's nuclear appetite had long been suspected. Indeed, for at least a decade, the United States government had asserted and assumed that Iran was pursuing nuclear weapons.¹ But the revelations of August 2002 suggested that Iran's nuclear program was more advanced and sophisticated than previously believed. And the fact that Tehran had developed these facilities secretly suggested that it had illicit intentions and furthermore appeared to be a breach of Iran's safeguards obligations under the Nuclear Nonproliferation Treaty (NPT).

Thus began a protracted crisis over Iran's nuclear activities – a crisis that has yet to be resolved. The initial phase of this confrontation involved evasion, duplicity and recalcitrance by Iran. For more than a year, Tehran persisted in what the IAEA described

¹ On the Clinton Administration's assumption that Iran had a covert nuclear weapons program, see Strobe Talbott, *The Russia Hand: A Memoir of Presidential Diplomacy*, (New York: Random House, 2002), p. 65. An excellent survey of concerns about Iran's nuclear activities as of the mid-1990s is David Albright, "An Iranian Bomb?," *Bulletin of Atomic Scientists*, Vol. 51, No. 4 (July/August 1995), pp. 20-26, which notes (p. 20) "a substantial body of evidence suggesting that...Iran is secretly pursuing a broad, organized effort to develop nuclear weapons." See also Chen Zak, *Iran's Nuclear Policy and the IAEA: An Evaluation of Program 93+2*, Washington Institute for Near East Policy, Military Research Paper No. 3, 2002, which notes (p. xiv) that the intelligence services of the United States, France, Germany, the United Kingdom, and Israel have all warned that Iran has a clandestine nuclear weapons program.

as a policy of concealment. In late 2003, Iran abruptly reversed course. Perhaps this was in response to pressure from the IAEA Board of Governors, which on September 12, 2003 adopted a resolution urging Iran to cooperate with the IAEA and implying referral to the UN Security Council if there were no progress by the end of October. Perhaps this was in response to exertions by the EU, which (represented by the EU3) had begun to engage Tehran in intensive negotiations. Perhaps (as we shall see below) this was due to changes in Iran's strategic environment in the fall of 2003, notably the exposure and elimination of one of its most important nuclear suppliers, the AQ Khan network. Perhaps it was due to concerns that the United States might use a nuclear crisis as the occasion to implement its preventive war strategy against Iran.

Whatever the explanation, on October 21, 2003, the Iranian Ministry of Foreign Affairs released a statement that had been negotiated in Tehran with the Foreign Ministers of the EU3 in which the Iranian government announced three major changes of policy. First, it declared that it had “decided to engage in full cooperation with the IAEA” in order to “resolve through full transparency” the issues of concern to the IAEA and to “clarify and correct any possible failures and deficiencies within the IAEA.”² After the frustrations of the previous year, this was a striking and welcome change of direction. Second, Iran stated that it would sign the Additional Protocol, a document that strengthened safeguards by giving the IAEA expanded powers of monitoring and inspection of nuclear facilities within Iran. In addition, on a voluntary basis, Iran agreed to accept the implementation of the Additional Protocol immediately upon signing the document, even in advance of ratification by the Iranian Majlis. On December 18, 2003, Iran made good on this promise by signing the Additional Protocol. Third, Iran said that it would voluntarily suspend “all uranium enrichment and reprocessing activities.” It would not be long before the vagueness of this formulation would cause serious problems; the October 21st statement contained no precise definition of what suspension entails and no specification of exactly what activities would be suspended. But in the fall of 2003 this seemed to mean the cessation of those activities that were of gravest concern to the IAEA and to the western powers most alarmed by Iran's nuclear progress. These three steps by Iran, coupled with the entry into negotiations with the EU3, appeared to represent a breakthrough and to hold out some hope that the problem was on the road to resolution.

What has ensued instead in the subsequent three years has been an odd and erratic mix of progress and failure, cooperation and collision, transparency and obduracy, concessions offered and concessions retracted. The road has not been straight or smooth and it has not led to a solution of the crisis.³ Over the course of 2004, Iran became more cooperative with the IAEA but still caused enough problems that on June 18 the IAEA Board of Governors passed a resolution criticizing Iran's performance. Negotiations with

² “Statement by the Iranian Government and Visiting EU Foreign Ministers,” October 21, 2003. The text is available at www.iaea.org.

³ A good concise overview of the several year struggle to deal with the Iranian nuclear issue is Shannon N. Kile, “The Controversy Over Iran's Nuclear Programme,” in Shannon N. Kile, ed., *Europe and Iran: Perspectives on Nonproliferation*, (London: Oxford University Press, 2005), pp. 1-21.

the EU3 rapidly became troubled.⁴ The Europeans believed that the transaction under discussion involved an offer of substantial political, economic and technical incentives in return for cessation of Iran's uranium enrichment program. The Iranians insisted that theirs was an entirely voluntary and temporary suspension – nothing more. Senior Iranian officials insisted that permanent cessation would never be acceptable to Iran. Furthermore, it became apparent that the EU3 and Iran had completely different interpretations of what the suspension meant. The Europeans believed that it should apply to all enrichment related activity. The Iranian position held that the suspension applied to the pilot enrichment plant at Natanz but that manufacture of centrifuge parts and work on uranium conversion at Esfahan could continue. In June 2004, shortly after being chastised by the IAEA and probably in response to that chastisement, Iran announced that it would resume all of its enrichment activities.

This provoked several further intense months of negotiation between Iran and the EU3, culminating in the Paris Agreement of November 15, 2004. In this agreement, Iran once again agreed (but this time more comprehensively) to suspend its enrichment program (and reiterated its commitment to honor its NPT obligations) in return for recognition of its nuclear rights, guarantees about security and cooperation, and the promise of progress in achieving a trade agreement. However, in the subsequent negotiations to work out long term arrangements, it soon became apparent once again that the fundamental divide between the parties remained. The EU3 was seeking a permanent cessation of Iran's enrichment activities. Iran continued to find this unacceptable – as attested by regular public statements by its senior leaders.⁵ When the EU3 sought to sweeten the pot with a new package of incentives on August 5, 2005, the Iranians rejected it almost instantly and instead resumed work on uranium conversion at Esfahan. This brought the EU3-Iran negotiations to an end, to the shock and chagrin of the Europeans who had invested so heavily in this diplomatic initiative. In the meantime, the flamboyant and incendiary Mahmoud Ahmadinejad was elected president of Iran, bringing with him to office a much more assertive international posture and an aggressive stance on the nuclear issue.

Though further excited efforts were made to restore the diplomatic track, from this point on the story is one of rapid slide toward collision. Under threat of referral to the UN Security Council, Iran agreed on October 13, 2005 to further talks with the EU3. But by now Iran had already rejected Europe's serious concessions and big offers; it was not clear what realistically could be added to the package that would change Tehran's calculations. Iran had deviated not at all from the position that its uranium enrichment program was non-negotiable – temporary suspension had been offered as a concession

⁴ A useful account of these negotiations is Walter Posch, "The EU and Iran: A Tangled Web of Negotiations," in Walter Posch, ed., *Iranian Challenges*, Chaillot Paper No. 89 (Paris: EU Institute of Security Studies, May 2006), pp. especially pp. 103-111. See also the excellent analysis of Iran's negotiating strategy in Shahram Chubin, *Iran's Nuclear Ambitions*, (Washington DC: Carnegie Endowment for International Peace, 2006), pp. 63-75.

⁵ See Frederic Tellier, *The Iranian Moment*, (Washington Institute for Near East Policy, Policy Focus No. 52, February 2006, especially pp. 8-9, who suggests that support for the nuclear program is widespread throughout the Iranian elite, among conservatives and reformers alike – so much so that Tellier asks, "Are there even opponents" to the nuclear program?

but permanent cessation was not on the table. New talks did not progress, and on January 3, 2006, Tehran communicated to the IAEA that it intended to resume its enrichment activities. Work at Iran's enrichment facilities commenced on January 10, 2006, ending the voluntary suspension and bringing a conclusive end to another stage in this ongoing saga.

For several years Iran had been threatened with punitive steps if the diplomatic process broke down. With Tehran's actions of January 2006, finally there were steps to implement this threat. On February 4, a special meeting of the IAEA Board of Governors adopted a resolution calling for Iran's case to be referred to the UN Security Council – the only act of enforcement specified by the charter of the IAEA. On March 8, the IAEA submitted its report to the Security Council. On July 31, 2006, the UN Security Council adopted Resolution 1696 that called on Iran to suspend its nuclear activities and resolve its outstanding issues with the IAEA without delay or face sanctions. Iran was given until August 31 to comply. Alongside these efforts to pressure Iran to take the steps asked of it, there was yet another flurry of diplomatic activity involving the EU3+3 countries. In the early summer, they offered a new negotiating proposal, this one joined by the United States, that expressed willingness to consider a wide array of benefits and concessions to Iran provided it would first indefinitely suspend its enrichment program. In the event, Iran ignored the deadline, refused to accept the conditions associated with negotiation, and continued work on its enrichment program, showing no sign that it had any intention of acquiescing to the demand of the Security Council. In response the United States spearheaded an effort to organize sanctions that can be supported by the permanent five members of the Security Council – an effort whose difficulty so far suggests that Iran may have made a canny calculation in judging that it could proceed with its nuclear plans without paying a major price. However, after an inconclusive several months of failed attempts to reach agreement on sanctions, in late December 2006 the UN Security Council unanimously voted to impose sanctions on Iran.⁶ Tehran responded with defiance.

There things now stand. At stake in this protracted confrontation have been two broad and related issues: Iran's violations of its safeguards agreements, which must be redressed to the IAEA's satisfaction if Iran is to be fully restored to good standing; and the status of Iran's uranium enrichment program, to which Tehran seems to be unalterably committed but which is unacceptable to the other parties to the disagreement because of the inherent weapons implications associated with enrichment. Neither of these issues has been resolved in the four years since the revelations of August 2002. Rather, several years of contention and strenuous diplomatic exertion have led to an impasse that leaves all parties upset and dissatisfied. The IAEA, the EU3, and the United States are distressed at the failure to stop Iran's enrichment program.⁷ The Iranians have

⁶ "UN Passes Iran Sanctions," BBC News, December 23, 2006.

⁷ For a thorough and very useful survey of the issues raised by Iran's nuclear program, see Judith Yaphe and Charles Lutes, *Reassessing the Implications of a Nuclear-Armed Iran*, McNair Paper No. 69, (Washington DC: Institute for National Security Studies, US National Defense University, November 2005).

preserved their nuclear program but find themselves increasingly insulated from the major powers, pressured, and now being subjected to multilateral sanctions.

And looming in the backdrop of this crisis is the Bush Administration's policy of preventive war. The President has said on many occasions that a nuclear-armed Iran is intolerable and unacceptable. The US National Security Strategy states explicitly that the United States is prepared to use force to prevent such outcomes. President Bush is reported to be determined to stop the weapons-related components of the Iranian nuclear program one way or another before he leaves office.⁸ Indeed, one knowledgeable journalist has written that President Bush "sees personal and national humiliation if he were to leave office having acquiesced to an embryonic Iranian nuclear arsenal."⁹ Further, in the post-9/11 world, the Bush Administration has operated on the principle that when dealing with possible WMD in the hands of hostile forces, it is too risky and dangerous to wait for definitive proof (which might come, as US officials have repeated stated, in the form of a mushroom cloud over an American city). Instead, the Bush Administration has promoted what has been described as "the principle of actionable suspicion" – that is, suspicion alone, even in the absence of proof, can be grounds for action.¹⁰ Hence the failure of the diplomatic track brings the use of force into view. It is by no means certain that the military option will be chosen because it is a potentially risky and dangerous choice. But it will certainly be – indeed, already is – on the menu of choices that will be considered as the struggle to cope with Iran's nuclear program continues. The failure of diplomacy may turn out to be quite fateful.

What accounts for that failure? What have been the positions and perceptions of the various players in this game? How have they led to this impasse? The following discussion seeks to sketch a profile of the concerns and perspectives of the key protagonists (including Iran) that help explain the dynamic that has produced diplomatic failure and raised the prospect of preventive war.

RIGHTS AND WRONGS IN IRAN'S NUCLEAR BEHAVIOR

From early 2003 onwards, and especially after Iran's change of policy in the fall of 2003, it was subjected to detailed and extensive scrutiny by the IAEA. Relations between Tehran and the IAEA were not always harmonious and Iran was not always completely responsive to the IAEA's wishes, but for the most part Iran was cooperative and its nuclear infrastructure and activities were thoroughly examined. Under the

⁸ See, for example, Lawrence F. Kaplan, "The Iran Plan: Peace Now," *The New Republic*, October 2, 2006, p. 3 of web version. Kaplan writes, "Bush has vowed privately not to leave office with Iran's nuclear program intact."

⁹ Arnaud de Borchgrave, "Gathering Nuclear Storm," *The Washington Times*, August 29, 2006. de Borchgrave writes that many are convinced that "a military solution is inescapable." Also expressing concern that the Bush Administration's logic is leading "inexorably" to military action against Iran is Gideon Rachman, "The Path to War in Iran," *Financial Times*, September 5, 2006.

¹⁰ Ron Suskind, *The One Percent Solution: Deep Inside America's Pursuit of Its Enemies Since 9/11*, (New York: Simon and Schuster, 2006), p. 166. Suskind explains that after 9/11 the Bush Administration chose to "liberate action from such accepted standards of proof....Suspicion, both inside America and abroad, became the threshold for action." (p. 163)

Additional Protocol, Iran was required to provide additional documentation and more detailed declarations.¹¹ It was required to allow more wide-ranging and more short-notice inspections. It was required to allow additional utilization of advanced monitoring and surveillance technologies. Though there were occasional frictions – over access to military sites, for example – in general Iran complied with these requirements and IAEA Secretary General Mohammed ElBaradei noted in various of his reports that good progress had been made with Iran and the level of cooperation had improved appreciably. For its part, Tehran claims, probably correctly, that since 2003 it has been the most heavily inspected party in the history of the IAEA.

But what was found as a result of all this inspection? ElBaradei conveyed the findings in periodic reports to the IAEA Board of Governors, reports that were published and hence allow a public recounting of the results of the IAEA’s investigations in Iran. On November 15, 2004, he submitted a comprehensive report that summarized the IAEA’s findings up to that point. Two conclusions were fundamentally important. First, the IAEA judged that Iran had made a protracted effort to obtain a comprehensive nuclear capability:

“Iran has made substantial efforts over the past two decades to master an independent nuclear fuel cycle. To that end, Iran has conducted experiments to acquire the know-how for almost every key aspect of the fuel cycle.”¹²

For more than twenty years, in other words, Iran had covertly but actively pursued and accumulated nuclear technology, including those dual-use items (notably uranium enrichment and plutonium reprocessing) that have relevance for weapons as well as nuclear power.

Second, over that same twenty year period, Iran had committed many violations of its safeguards obligations. Iran had been one of the first non-weapon state signatories of the NPT in 1968. As required by Article III of the NPT, it had signed a safeguards agreement with the IAEA on June 19, 1973 and the agreement entered force on May 15, 1974 after formal ratification in Iran.¹³ This agreement spelled out in detail, in 27 pages and 98 Articles, the responsibilities, obligations, and protections that applied to Iran as a result of its acceptance of the document. The IAEA was emphatic and definitive in its finding that Iran displayed a lengthy and widespread pattern of noncompliance:

“Many aspects of Iran’s nuclear fuel cycle activities and experiments, particularly in the areas of uranium enrichment, uranium conversion and plutonium separation, were not declared to the Agency in accordance with Iran’s obligations under its Safeguards Agreement. Iran’s policy of concealment continued until

¹¹ For a thorough discussion of the implications of the additional protocol in Iran’s case, see Zak, *Iran’s Nuclear Policy and the IAEA*, pp. 19-27.

¹² “Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran,” IAEA Board of Governors, GOV/2004/83, November 15, 2004, p. 23. Available at www.iaea.org.

¹³ The contents of the agreement in full is found in “The Text of the Agreement between Iran and the Agency For the Application of Safeguards in Connection with the Treaty on the Non-Proliferation of Nuclear Weapons,” IAEA INFCIR/214, December 13, 1974.

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October 2003 and has resulted in many breaches of its obligations to comply with that Agreement.”¹⁴

There is not the slightest doubt, in short, that Iran repeatedly violated its Safeguards Agreement – and that it did so over a long period of time.

Iran’s breaches fell into four categories:

- (1) Failures to report nuclear transactions and activities, such as imports of uranium and uranium hexafluoride.
- (2) Failures to declare facilities, including notably the pilot enrichment facility at Natanz and a nascent laser enrichment facility.
- (3) Failures to provide information as mandated by the Safeguards Agreements, in particular design information about nuclear facilities.
- (4) Failures to cooperate with safeguards implementation as required by Articles 1 and 2 of the Safeguards Agreement, including in the period up to October of 2003 the filing of incomplete, inaccurate, or misleading reports about its nuclear activities, the refusal to allow timely access to nuclear materials and facilities, and the extensive employment of concealment.

All told, the IAEA identified fourteen specific transgressions in the first three categories (many of which dated to the early 1990s) while also reporting “many occasions” when Iran failed to cooperate with safeguards implementation.

Early on in the evolving confrontation with Iran after 2002, in short, the fact of Iran’s noncompliance was established and reported to the IAEA Board of Governors. What followed has been a long and mutually frustrating process of trying to bring resolution to the array of serious issues raised by Iran’s past violations and to bring to a stop Iran’s most advanced weapons-related nuclear technology development effort, its uranium enrichment program. Despite strenuous diplomatic efforts, months of negotiations, and extensive investigation by the IAEA, the process has failed on both scores: the IAEA has refused to give Iran a clean slate on violations because gaps remain in its understanding of Iran’s past nuclear activities, while Iran has refused to abandon its enrichment program, claiming that it has every right to develop such a capability. Several years of high profile confrontation on these questions have produced not agreement and satisfaction but recrimination and bitter stalemate.

With respect to Iran’s safeguards violations, the failures to report, declare or provide were substantially corrected after October 2003 through the provision additional information and documentation, as well as through inspection of sites by the IAEA. In addition, cooperation with safeguards implementation improved considerably, even if it was still imperfect. But even after several years of intensive interaction between the

¹⁴ GOV/2004/83, November 15, 2004, p. 19.

IAEA and Iran, there remain a number of outstanding issues that simply have not been addressed to the satisfaction of the Agency and that are of sufficient significance that the IAEA Board of Governors was (eventually) willing to refer the case to the UN Security Council. The major unresolved issues include the following:¹⁵

- (1) LEU and HEU contamination of equipment. Samples taken by the IAEA during inspections revealed contamination of centrifuges by low enriched uranium (LEU) and highly enriched uranium (HEU), though Iran insisted that it had not used this equipment to enrich any material. Iran claimed that this contamination resulted from the provision by its supplier – that is, Pakistan via the AQ Khan network – of used equipment. Subsequent investigation and testing by the IAEA largely vindicated Iran’s claim and this has ceased to be a major source of contention, but there remain some technical ambiguities about the origin of some traces of LEU and so this stays on the list of unresolved issues.
- (2) P-1 Centrifuges. With the information and documentation so far provided, the IAEA has not been able to adequately reconstruct the history of Iran’s involvement with the acquisition and development of P-1 centrifuges in the period from 1987 to the mid-1990s. The IAEA regards the gaps in its knowledge to be such as to raise a risk that there could be undeclared enrichment activity in Iran. There is no evidence of such undeclared activity and no accusation by the IAEA that Iran is engaging in undeclared enrichment. But to close the book on this issue the IAEA has been demanding additional information that would permit a fuller accounting of Iran’s activities in this period. Iran states that there is no additional information available beyond that which is in IAEA hands.
- (3) P-2 Centrifuges. Similarly, with the information and documentation so far provided, the IAEA has not been able to adequately reconstruct the history of Iran’s involvement with (more advanced) P-2 centrifuges in the period from 1995 to 2002. This raises the same concern as with the P-1 centrifuges. Here again, Iran states that no additional information exists.
- (4) 1987 Metallurgy document. Among the documents that Iran shared with the IAEA was one short paper from 1987 that was on the subject of casting metallic enriched uranium in spherical shapes. This document has raised particular concern for two reasons. First, the main thing one can do with spherical castings of this sort is to make nuclear weapons. Second, this document resembled material that had been provided to Libya’s now-admitted nuclear weapons program by AQ Khan. Accordingly, the IAEA wishes to know more about the meaning and context of this document and would like to see other potentially related documents from this time frame. The February 2006 IAEA report commented that there is “no indication that this document was used” but suggested that because of the implications of the Libyan case “it is essential to

¹⁵ These items are covered in nearly every IAEA report on safeguards implementation in Iran. A good overview of these issues can be found in GOV/2004/83, November 15, 2004.

understand the full scope of the offer made by the network in 1987.”¹⁶ (An important part of the wider context here, of course, is that the Iran-Iraq war was still raging at that time, perhaps providing incentive for Iran to seek nuclear weapons.) Iran has stated that it possesses no further documentation that casts light on this issue.

- (5) Plutonium experiments. Iran has confessed that in the period from 1988 to 1993, it conducted laboratory scale experiments that produced minute amounts of plutonium. Iran reported this to the IAEA in its revised disclosures after October 2003 and even recovered samples of the material, which had been disposed of years before, and provided these to the IAEA for testing. However, the IAEA’s nuclear forensic investigation indicated that the age, the isotopic content, and the quantity of the material is not consistent with Iran’s description of its experimental plutonium activities. This IAEA is seeking an explanation of this discrepancy.
- (6) The Green Salt Project and other alleged suspicious activity. The IAEA, on the basis of “information that has been made available to the Secretariat,” has more recently raised several additional concerns.¹⁷ One, known as the Green Salt Project, concerns studies on the conversion of uranium dioxide to UF₄. In addition, the IAEA has sought discussion of high explosive tests and the design of a reentry vehicle for missiles. Iran has repeatedly dismissed these charges as “baseless,” claims they are “based on false and fabricated documents,” and insists that no such projects ever existed.¹⁸ Iran has so far declined to discuss these matters further but the IAEA continues to desire further explanation.
- (7) The role of Iran’s military. The IAEA has encountered some indications that Iran’s military may be playing a role in its nuclear program. It has requested clarification from the government of Iran.

These are the primary issues – the unresolved compliance questions – that have prevented the IAEA from clearing Iran’s name.¹⁹ They are overwhelmingly historical in character, with several deriving from Iran’s activities in the late 1980s. This first four of them are directly related Iran’s relationship with the AQ Khan supplier network; the IAEA’s dogged persistence on these questions may result in part from possession of information from Pakistan that leads the agency to believe that there is more to the story than has been discovered or admitted so far. There is nothing in these issues that leads to definitive conclusions about the aspirations behind Iran’s current nuclear activities and nothing that proves beyond doubt that Iran is engaged in illicit weapons-related activities. However, the overall pattern of activities and Iran’s evasiveness in addressing unresolved issues lead even fair-minded observers to the conclusion that Iran is seeking nuclear weapons –

¹⁶ GOV 2006/15, February 27, 2006, p. 5.

¹⁷ GOV 2006/15, February 27, 2006, p. 8.

¹⁸ GOV 2006/27, April 28, 2006, p. 6.

¹⁹ On the remaining gaps and uncertainties, see Paul Kerr, “IAEA Limits Leave Iran Intel Gaps,” *Arms Control Today*, October 2006, pp. 26-28.

or at least a nuclear weapons option. As Mark Fitzpatrick has written, “If one were inclined to give Iran the benefit of the doubt, each of the pieces of evidence might be explained away, but in totality they add up to a strong indictment, especially given the manner in which Iran failed to declare these activities and continues to withhold cooperation with the International Atomic Energy Agency that might otherwise clear up some of the doubts.”²⁰ Israeli experts draw the same conclusion. “There can be no doubt,” writes Ephraim Asculai, “that Iran’s nuclear program has a military application orientation.”²¹ In addition, the unresolved issues open up the possibility of ongoing illicit behavior, which is why the IAEA will not restore Iran to good standing until it receives clarification.

Another cause of concern is that the list of suspicious Iranian activities has not remained static, but has grown across time with further inspection and further gathering of information. The roster of unresolved issues is not limited to those volunteered by Iran itself. In 2004, for example, a walk-in defector provided to the United States a laptop full of documents that is the source of some of the remaining outstanding issues – including the Green Salt Project, the high explosives project, etc – intelligence that has been judged credible by the United States and other intelligence agencies (though Iran disputes the validity of the documents). This pattern persisted into the fall of 2006, when the IAEA reported to its Board of Governors that it had discovered unexplained traces of plutonium on containers from the Karaj waste storage facility.²²

For more than two years, though, Iran has been unwilling or unable to take steps or offer information that would eliminate these issues. Further opening and transparency would probably do the trick even if it is true that Iran has nothing more in its records that would aid the IAEA. It is hard to believe that Iran prefers crisis and sanctions to the resolution of these issues, none of which would, in fact, compromise Iran’s ability to move ahead with enrichment now. This is the kind of reasoning that leads to speculation that these issues cannot be resolved because Iran has something to hide. What is incontrovertible is that Iran’s failure to redress these issues has caused the IAEA to keep Iran’s nuclear dossier open, to perpetuate Iran’s noncompliant status, and in the end to refer Iran to the UN Security Council. And it is this festering and unresolved compliance dispute that has provided the opening and the leverage for the international community to move against Iran’s enrichment program, seeking to end or suspend it. And that, in turn, has been the catalyst for confrontation with Iran over these nuclear matters.

²⁰ Mark Fitzpatrick, “Iran’s Nuclear Program: Threat Assessment,” *International Institute for Strategic Studies*, June 2006, p. 6. Fitzpatrick provides an excellent methodical summary of the indications that Iran has a weapons program.

²¹ Ephraim Asculai, “Taking Stock of Iran’s Nuclear Program,” *Tel Aviv Notes*, No. 128, Jaffee Center for Strategic Studies, March 8, 2005, p. 2.

²² Reported in William Broad and Nazila Fathi, “Iranian Plutonium Puzzles Atom Officials,” *International Herald Tribune*, November 15, 2006; and Gareth Smyth, “Iran Says It Will Be Fully Nuclear Soon,” *London Financial Times*, November 15, 2006. For a brief analysis of the November 2006 IAEA report, see David Albright and Jacqueline Shire, “Latest IAEA Report on Iran: Continued Progress on Cascade Operations, No New Cooperation with IAEA,” *The Institute for Science and International Security*, November 14, 2006.

The evolution of the crisis has been shaped by significant divergences in perception and interpretation. It is impossible to judge with certainty whether Iran's articulated positions in this dispute are genuine beliefs or cynical justifications camouflaging a covert weapons program. No doubt the prevailing view in the United States – across at least two Presidencies and both political parties – is that Iran's positions represent clever posturing designed to hide and protect a weapons program. Still, in the wider international context Iran has managed rather well to position itself as an aggrieved party whose rights are being denied, its arguments have gained support in substantial segments of the international community, and (whatever Iran's true intentions) some of its points may have merit. In any event, Iran's articulated perceptions and positions have formed the basis for its proliferation diplomacy and have contributed to the tense impasse that now exists. Hence it is necessary to understand what Iran's positions have been and how they have diverged from the views of the IAEA, the United States, or other interested parties.²³ Iran's distinctive perceptions on four important dimensions of the nuclear crisis appear to heavily color its understanding of the confrontation that now has it pitted against the UN Security Council.

Iran has largely remedied past breaches. A first significant fact is that Iran has taken steps to eliminate the breaches that constituted its noncompliance under the Safeguards Agreement. At the outset of its new policy of cooperation, Iran sent a letter on October 21, 2003 to the Director General of the IAEA providing what the IAEA described as “extensive information” (and Iran described as “full disclosure”) about Iran's past and present nuclear activity. This was the beginning of a process in which most of the transgressions committed by Iran were systematically addressed. Iran provided extensive documentation, permitted access to its nuclear facilities, and submitted revised reports on previously undeclared or unreported activities. As ElBaradei concluded in his November 2004 report:

“As corrective actions, Iran has submitted inventory change reports (ICRs) relevant to all of these activities, provided design information with respect to the facilities where those activities took place, and presented all declared nuclear material for Agency verification, and it undertook in October 2003 to implement a policy of cooperation and full transparency....Good progress has been made in Iran's correction of those breaches....”²⁴

To understand some of the subsequent diplomatic difficulties in dealing with the Iran nuclear issue, it is essential to appreciate that Tehran believes both that it has been extremely cooperative with the IAEA – which in many ways it has – and that it has substantially redressed the breaches that violated its safeguards obligations – which is also true. For Iran, it is exasperating in the extreme that its cooperation and restoration to compliance has resulted not in a resolution of the problem but in growing pressure culminating in its referral to the UN Security Council. On the other side, the IAEA and

²³ My own understanding of Iranian positions and perceptions has profited enormously from two visits to Tehran in May 2004 and March 2005, as well as from discussions with Iranian colleagues at international conferences in Hiroshima, Japan, Ankara, Turkey, and Cairo Egypt.

²⁴ IAEA GOV 2004/83, November 19, 2004, pp. 20, 23.

other powers (particularly Washington) are preoccupied with and extremely worried about the remaining uncertainties about Iran’s past nuclear behavior and this weighs much more heavily in their thinking than the cooperation Iran has offered – which though substantial has not eliminated disturbing ambiguities – or the issues resolved – which though considerable leave important questions unsettled.

Iran is in good standing with respect to current activities. The uncertainties about Iran’s nuclear program and its difficulties with the IAEA are about past behavior – in most instances well over a decade ago – that Tehran has not explained to the satisfaction of the IAEA. With respect to current activities, however, Iran is in good standing with the IAEA. All of its known and declared nuclear facilities and activities have been fully safeguarded. Indeed, as noted, they have been subjected to unusually extensive and intrusive inspection. The IAEA reported in April 2006,

“Iran continues to facilitate the implementation of the Safeguards Agreement and had, until February 2006, acted on a voluntary basis as if the Additional Protocol were in force. Until February 2006, Iran has also agreed to some transparency measures requested by the Agency, including access to certain military sites.”²⁵

The IAEA has remained frustrated that Iran’s cooperation has never been sufficient to resolve all remaining issues. However, throughout the last several years, Iran has met its safeguards obligations and for quite some time went well beyond them – a point Tehran regards as telling evidence of its cooperation with the IAEA.

Further, in report after report, the IAEA has communicated that its assessment of Iran’s holdings of nuclear materials has revealed no problems. The IAEA stated in February 2006, for example, that “As Indicated to the Board in November 2004 and again in September 2005, all the declared nuclear material in Iran has been accounted for.”²⁶ These reports invariably convey the finding that there is no indication of diversion of materials to illegitimate purposes.

No clear evidence of an Iranian weapons program. In its numerous inspections over the past four years, involving approximately 2000 person-days of inspector time, the IAEA has uncovered no conclusive evidence that Iran has a nuclear weapons program. In effect, Iran has been in an odd limbo, lacking a clean bill of health because of remaining concerns about past behavior but not definitively found guilty because the suspected existence of a weapons program remains unproven. At no time throughout the period since 2002 has the IAEA said that Iran has a nuclear weapons program. In November 2003, in one of its early reports following the August 2002 disclosures, the IAEA stated (in a passage often invoked by Iran), “There is no evidence that the previously undeclared nuclear materials and activities....were related to a

²⁵ “Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran,” IAEA GOV/2006/27, April 28, 2006, p. 7.

²⁶ “Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran,” IAEA GOV/2006/15, February 27, 2006, p. 11.

weapons program.”²⁷ Subsequent IAEA reports have generally refrained from repeating this formulation, but they have not contradicted or retracted it either. Nearly every report does reiterate that the IAEA has discovered no diversion of nuclear material for weapons purposes.

The IAEA claim so far is not that there is evidence of a weapons program, or even that it has found undeclared activity in Iran. Rather, its position is that remaining uncertainties about Iranian nuclear efforts in the late 1980s and early 1990s make it impossible to confirm that Iran does not have hidden nuclear activities somewhere on its territory. The conclusion offered in the February 2006 report is typical:

“Although the Agency has not seen any diversion of nuclear material to nuclear weapons or other nuclear explosive devices, the Agency is not at this point in time in a position to conclude that there are no undeclared nuclear materials or activities in Iran.”²⁸

As the collision between Iran and the IAEA escalated over the course of 2006, following the referral of Iran to the UN Security Council and the passage of a UNSC Resolution threatening sanctions against Iran, the IAEA moved to a somewhat sharper articulation of its position. Its report of August 31, 2006 stated that the Agency “remains unable to verify...the peaceful nature of Iran’s nuclear programme.”²⁹ This is perhaps a more pointed expression of the IAEA’s position, but it still falls short of asserting that Iran has a nuclear weapons program or declaring that the IAEA had found evidence of illicit nuclear activity. Chubin offers a good summary of the inevitable conclusion: “Apart from the noncompliance with safeguard obligations, there is little (that is, no activity as such that is proscribed) with which Iran can be formally charged. The smoking gun remains elusive.”³⁰

For the IAEA, the unresolved questions about Iran’s nuclear program in the 1980s and 1990s raise serious concerns about possible ongoing violations and make it impossible for the Agency to render a final verdict on Iran’s nuclear dossier. Washington has viewed the ongoing stalemate with Iran as confirmation of its assumption that Tehran is seeking nuclear weapons and has used the continuing crisis as an occasion to increase the diplomatic pressure on Iran. From Iran’s point of view, however, it has been subjected to intense pressure and attempts at coercion, and has been forced on the defensive, despite the absence of proof, or even serious evidence, that it has actively pursued nuclear weapons.

Iran’s nuclear activities are legal and permitted. A final important consideration in understanding the confrontation with Iran is that its troubles with the IAEA resulted not from what it did in the realm of nuclear activity, but rather from the

²⁷ “Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran,” GOV/2003/ , November 2003.

²⁸ GOV/2006/15, February 27, 2006, p. 11.

²⁹ August 31, 2006.

³⁰ Chubin, *Iran’s Nuclear Ambitions*, p. 68.

failure to report what it did. It was not sins of commission but failures of reportage that made Iran noncompliant. That is, if Iran had reported its activities in the areas of uranium enrichment and plutonium reprocessing and had subjected these activities to safeguards, this would have been acceptable and legitimate behavior within the NPT regime. Indeed, the fact the Iran secretly undertook steps that could have been made openly is one of the reasons why there are wide suspicions about its intentions. The obvious conclusion, it seems to many, is that Iran was precisely trying to elude safeguards so as to apply its dual use technology for the purpose of developing nuclear weapons.

In the nuclear melodrama that has unfolded since August of 2002, there has been tremendous focus on stopping the Iranian uranium enrichment program. This has been an essential aim of the United States and other powers. This has been urged in diplomacy and demanded by resolutions of the IAEA Board of Governors and the UN Security Council. Because uranium enrichment represents a direct and straightforward path to the acquisition of nuclear weapons, there is a strong desire to deny this capability to Iran. This is a perfectly understandable preference on the part of those concerned that Iran is in the process of acquiring nuclear weapons. It is also, without question, the preferred outcome of those concerned about the long-term health of the NPT regime. But the pursuit of enrichment is not one of Iran's instances of noncompliance and Iran is not required under the NPT or its IAEA Safeguards Agreement to forsake enrichment.

On the contrary, as Iran consistently points out, by law and by precedent enrichment is a permitted activity. In public discussion, this legal right is most often associated with Article IV (1) of the NPT, which establishes the “inalienable right of all the Parties to the Treaty to develop, research, production and use of nuclear energy for peaceful purposes....” Less familiar in the public debate but perhaps even more expansive is Article IV (2):

“All the Parties to the Treaty undertake to facilitate, and have the right to participate in, the fullest possible exchange of equipment, materials and scientific and technological information for the peaceful uses of nuclear energy.”

Plainly, the phrase “fullest possible exchange” is inclusive rather than restrictive and implies complete access to civilian nuclear technology rather than suggesting areas that are off-limits.

Further, a careful reading of Iranian statements on the issue will also detect occasional references to Article III of the NPT – references that find few echoes outside of Iran. However, Article III (3) may in fact provide the language that comes closest to specifically conferring a legal right to enrichment (as opposed to a generalized right to utilize peaceful nuclear energy). Article III is the safeguards provision of the NPT, and paragraph 3 specifies that safeguards should

“avoid hampering the economic or technological development of the Parties or international cooperation in the field of peaceful nuclear activities, including the

international exchange of nuclear material and equipment for the processing, use or production of nuclear material for peaceful purposes....”

The reference here to “processing, use or production of nuclear material” can refer, among other things, to enrichment or reprocessing to manufacture reactor fuel. This explains the Iranian invocation of Article III in addition to Article IV in asserting its legal right to pursue enrichment. It is Tehran’s answer to those who say that Article IV offers a broad right to enjoy the benefits of the peaceful atom but no specific entitlement to enrichment.

In truth, however, it has long been accepted in principle and in practice that Article IV rights to peaceful nuclear power encompass the entire nuclear fuel cycle, including enrichment and reprocessing. At Congressional hearings in 1968 on the ratification of the NPT, for example, the Chief US Negotiator William Foster could not have been more explicit on this point:

“Neither uranium enrichment nor the stockpiling of fissionable material in connection with a peaceful program would violate Article II so long as these activities were safeguarded under Article III.”³¹

Foster makes clear in this comment that a state can seek or possess uranium enrichment without violating its Article II obligation to forsake nuclear weapons.

Not only is the negotiating record clear on this point, but there is ample precedent in the behavior of other states. There are nineteen states (including Iran) that possess (or once possessed) either commercial or experimental uranium enrichment programs.³² Five of these are the nuclear weapon states and another three are non-signatories of the NPT (India, Israel, and Pakistan). One state, North Korea, has exercised its right to withdraw from the NPT and now conducts its nuclear activities outside the constraints of the treaty regime. This leaves another nine states in addition to Iran that are (like Iran) non-weapon state signatories of the NPT and parties to safeguards agreements with the IAEA. Japan, for example, has a large and very advanced enrichment capability and has long been regarded as a world leader in this technology. Brazil has been developing a commercial scale enrichment capability more or less simultaneously with Iran; its Resende enrichment facility commenced operations in early 2006. Argentina, Australia, Germany, the Netherlands, South Africa and South Korea have all been involved with enrichment to one degree or another. Obviously, it is permissible and acceptable for non-

³¹ As quoted in Mohamed I. Shaker, “The Iranian Nuclear Crisis: Is There a Way Out?,” paper presented to the Pugwash Workshop on “Nuclear Non-Proliferation and Disarmament: The Role of Europe,” Royal Netherlands Academy of Arts and Sciences, Amsterdam, June 7-8, 2006, p. 1.

³² See Arjun Makhijani, Lois Chalmers, and Brice Smith, “Uranium Enrichment: Just Plain Facts to Fuel and Informed Debate on Nuclear Proliferation and Nuclear Power,” Institute for Energy and Environmental Research/Nuclear Policy Research Institute, October 15, 2004. See especially pp. 18-26 for a lengthy table providing details on the various national enrichment programs. It concludes: “The knowledge and the ability to enrich uranium for nuclear power or nuclear weapons are quite widespread. In many ways the horse has already gotten out of the barn when it comes to uranium enrichment techniques.” (p. 26)

weapon state signatories to the NPT to develop uranium enrichment. Iran is following a trodden path.

In sum, in both law and history there is support for Iran's adamant insistence that it possesses the right to enrich uranium (provided this is done under safeguards). This explains why the United States has had difficulty in gaining wide international support for its aggressive diplomacy against Iran. It explains why there is considerable sympathy for Iran's position – for example, at the 2005 NPT Review conference, where the United States made little progress in pressing its campaign against Iran.³³ It explains why some key states – Egypt, for example – are not aligned with Washington on this issue; they fear that their own Article IV rights may be threatened if Iran is successfully coerced into giving in. It explains Iran's bitterness that other states – most recently Brazil – have been able to proceed unmolested to gain enrichment capabilities (in Brazil's case despite some problems with its safeguards performance and some tensions in its relations with the IAEA) while Iran has been subjected to relentless pressure and coercion.³⁴ As Geoffrey Kemp has written of Iran's nuclear program, “So long as it is technically in compliance with NPT rules, it is perfectly legal....When the United States comes to the nuclear negotiating table, whether in Vienna, Geneva, or New York, it comes with a lot of baggage and its homilies are greeted with great skepticism not only by Iran but by many other NPT signatories.”³⁵

The fact is, however, that the international community has long since conceded this point not only in general terms but also in specific reference to Iran. Nearly every statement and offer presented to Iran acknowledges its legal right to pursue nuclear power and by inference to enrich uranium. Even President Bush has publicly acknowledged Iran's right to civilian nuclear technology.³⁶ The fact that the NPT regime permits the spread of weapons-related technology is lamented by many and regarded as a serious loophole in legal apparatus governing nonproliferation.³⁷ Serious analysts make urgent arguments about the need to reinterpret the treaty, to revise the norm, to close the loophole.³⁸ Nevertheless, it is evident that the spread of enrichment and reprocessing technology is allowed within the conditions specified by the regime.

³³ Despite pressure from the United States, the 114 members of the Non-Aligned Movement have recurrently issued statements supporting Iran and its right to enrichment. See Mark Heinrich, “Non-aligned States to Back Iran at IAEA,” *WashingtonPost.com*, June 13, 2006. See also William C. Potter, “The NPT Review Conference: 188 States in Search of Consensus,” *International Spectator*, 3/2005, p. 27, which describes Iran as one of the “winners” at the largely failed conference.

³⁴ On Iran's perceptions of the Brazilian case, Nasser Saghafi-Ameri, “NPT and New International Security Environment,” Paper presented at the International Conference on Nuclear Technology and Sustainable Development, Tehran, Iran, March 5-6, 2005, p. 10.

³⁵ Geoffrey Kemp, “Desperate Times, Half Measures,” *The National Interest*, Summer 2005, p. 54.

³⁶ See David Ignatius, “The Black Box of Tehran,” *Washington Post*, October 20, 2006.

³⁷ See, for example, the thorough discussion in, Victor Gilinsky, “Iran's ‘Legal’ Paths to the Bomb,” in Henry Sokolski and Patrick Clawson, eds., *Checking Iran's Nuclear Ambitions*, (Carlisle, PA: US Army War College Strategic Studies Institute, January 2004), pp. 23-38.

³⁸ A notable example is Graham T. Allison, *Nuclear Terrorism: The Ultimate Preventable Catastrophe*, (New York: Basic Books, 2004) Allison argues that there should be no further spread to dual use technologies that can make weapons usable fissile material.

This is not, however, the end of the legal story. For non-weapon state signatories such as Iran, Article IV rights are conditional – as specified in Article IV (1), states must be “in conformity with” Article II of the NPT. This means that they must have complied with their legal obligation to refrain from acquiring nuclear weapons by any and all means. From the perspective of Washington and in the view of some knowledgeable analysts, Iran has failed to meet this condition and is therefore not entitled to enjoy the rights and benefits otherwise assured by Article IV. The argument is that Iran’s many safeguards violations, and the failure to satisfactorily resolve all of them with the IAEA, has resulted in a judgment by the IAEA that it cannot verify the peaceful character of Iran’s nuclear activities. Under these circumstances, Iran can be regarded as in violation of Article II and therefore ineligible to gain Article IV rights. As one close observer of the issue, George Perkovich explains:

“Because Iran has been found noncompliant with its obligations and has not enabled the IAEA to verify its compliance with the core Article II obligation that conditions all rights to nuclear energy, Iran has lost, at least temporarily, the full enjoyment of its original nuclear rights. Iran’s case is an enforcement problem at this point, not a rights problem.”³⁹

In a separate analysis, this time with co-author Pierre Goldschmidt, Perkovich suggests that any remaining uncertainty about the purposes of Iran’s nuclear program is sufficient grounds for denying Iran its Article IV rights. As Perkovich and Goldschmidt comment, “Without certainty that all of Iran’s nuclear activities are and have been solely for peaceful purposes, Iran’s rights to obtain the benefits of international nuclear cooperation are forfeited.”⁴⁰ Thus, in this line of argument, Iran’s nuclear rights under the NPT are not disputed. Rather, it is argued that Iran’s failure to meet the conditions under which Article IV benefits are conferred means that Iran does not qualify for these rights. This is the legal argument that undergirds Washington’s policy and that is the legal basis for the position that the IAEA and the UN Security Council have a right to demand the suspension of Iran’s uranium enrichment program.

Needless to say, Iran does not accept this interpretation. As noted above, in the Iranian view, it has cooperated extensively with the IAEA. It has worked to repair the breaches in its safeguards performance. Its current activities are proceeding under safeguards, meeting the requirements of its Safeguards Agreement with no problems or violations. Most importantly, it has not been accused of violating Article II of the NPT – that is, the IAEA has never claimed evidence that Iran possesses a weapons program and certainly has never suggested that Iran possesses nuclear weapons. The Iranian government constantly points out, as in its letter to the IAEA of January 24, 2006, that the “IAEA has confirmed that it has not found any evidence that Iranian nuclear materials

³⁹ George Perkovich, “Defining Iran’s Nuclear Rights,” Carnegie Endowment for International Peace, September 2006, p. 1.

⁴⁰ George Perkovich and Pierre Goldschmidt, “Why Iran Should Suspend First,” Carnegie Endowment for International Peace, July 13, 2006.

and activities are diverted to prohibited purposes.”⁴¹ Iran concedes that it committed violations but points out that the IAEA’s own reports reveal how commonplace it is for states to commit safeguards violations, sometimes over a protracted period of time.⁴² In Tehran’s view, only a double standard causes its problems with the IAEA to result in crisis, international approbation, and referral to the UN Security Council whereas the problems of others are handled in a routine and non-confrontational manner. Iranians point out that India refused to sign the NPT, did not subject its nuclear facilities to safeguards, and sought, acquired, and openly tested nuclear weapons, but nevertheless the United States promised to lift restrictions on nuclear commerce with India even while advocating strong action against NPT member and heavily safeguarded Iran.⁴³ In the words of one Iranian scholar, the India case (and others) demonstrate that the United States chooses “to ignore real and significant nuclear weapons development elsewhere (other than Iran) for political reasons....”⁴⁴

Indeed, for Iran, the essence of this confrontation is political rather than legal, and results primarily from American hostility and pressure – what Iran has openly called “political bullying.”⁴⁵ Or, as Iran more recently complained to the IAEA,

“The international community has been, to a great extent, misled with biased, politicized, and exaggerated information on Iranian nuclear programs and activities. Iranian nuclear issues that should have been dealt in a purely technical manner within the framework of the IAEA have been politicized.”⁴⁶

In short, neither Iran nor its backers accept the argument that it has forfeited its right to Article IV benefits. This is viewed as just another stratagem by hostile outsiders, led by the United States, to deprive Iran of its legitimate nuclear options.

There is one final angle to the legal wrangling over Iran’s enrichment program – one that suggests that the United States may finally have maneuvered Iran into a legal corner. The Iran nuclear dossier was referred to the UNSC by the IAEA Board of Governors in early 2006. The UN Security Council took action on July 31, 2006, adopting UN Resolution 1696 which, among other things, demands that Iran suspend its enrichment program and its reprocessing activities. It is certainly the case that UN Security Council resolutions have been ignored in the past, but in principle they are

⁴¹ “Communication Dated 24 January 2006 Received from the Permanent Mission of the Islamic Republic of Iran to the Agency,” IAEA INFCIRC/665, January 27, 2006, p. 6.

⁴² See the Iranian statement before the IAEA, June 2003, p. 3, which claims on the basis of evidence in IAEA reports that approximately 10% of safeguarded facilities fail to meet technical requirements for good standing.

⁴³ Even friendly observers were puzzled by the Bush Administration’s flagrant disregard for domestic law and international rules in signing its nuclear cooperation agreement with India. See, for example, “Diplomacy and Proliferation: Nuclear Confusion,” *The Economist*, October 20, 2005.

⁴⁴ Nasser Saghafi-Ameri, “NPT and New International Security Environment,” Paper presented at the International Conference on Nuclear Technology and Sustainable Development, Tehran, Iran, March 5-6, 2005, p. 9.

⁴⁵ This phrase was used at the IAEA Board of Governors by Iranian Ambassador Ali Salhi in his statement of September 12, 2006.

⁴⁶ INFCIRC/665, January 27, 2006, p. 2.

legally binding.⁴⁷ In Article 25 of the UN Charter, member states agree to “accept and carry out” decisions of the Security Council. Article 103 of the UN Charter establishes the primacy of the Charter over other international agreements. In effect, UN Resolution 1696 trumps Article IV of the NPT and the Security Council’s demand for suspension of Iran’s enrichment and reprocessing should carry the day. In early 2006, however, Iran ended its voluntary suspension of the enrichment program and has been proceeding down the enrichment path. There is no indication that it will defer to this latest twist in legal argumentation. On the contrary, every indication is that Iran continues, openly and defiantly, to advance its uranium enrichment program.⁴⁸

To summarize, it is the Iranian position that it has substantially corrected the violations it had committed prior to October 2003. It is currently behaving as a good citizen with respect to the IAEA safeguards system. Extensive investigation by the IAEA has produced no evidence that Iran has a nuclear weapons program. And Iran remains adamant that it is within its legal rights to develop uranium enrichment. As we have seen, these claims are not baseless. Nevertheless, the IAEA has not been satisfied with Iran’s performance or explanations and was sufficiently disturbed by the lack of resolution of the outstanding issues with Iran that it forwarded the case to the UN Security Council. The colliding perspectives on these issues produced not mutual understanding or compromise, but escalation.

WHY SUSPECT A BOMB PROGRAM?

Iran has consistently denied that it is seeking nuclear weapons. Even its outspoken President Ahmadinejad, not a man to hold his tongue and harboring no fear of voicing unpopular views, has insisted that Iran’s nuclear program is peaceful in intent.⁴⁹ Characteristic of Iran’s articulated position is the statement of its Ambassador to the IAEA, Ali Salehi, in September 2003:

Iran, in this midst, has stressed sternly and insistently that it has no intention whatsoever to pursue nuclear weapons, that it only yearns for peaceful capability..., that it intends to leave no stone unturned to further assure the agency of its peaceful objectives, that it is a fervent subscriber to the NPT, a loyal party to it and a staunch supporter of the Middle East nuclear weapon free zone.”⁵⁰

This has been Iran’s position through the several year crisis. In its *Note Verbale* to the IAEA in January 2006, Iran again repeated that “the Islamic Republic of Iran is fully committed to the principles of nuclear disarmament and non-proliferation and the nuclear

⁴⁷ I am drawing in this paragraph on the clever analysis by Amy Reed, “UN Resolution 1696 Moots Iranian Legal Claims,” Carnegie Endowment for International Peace, August 21, 2006.

⁴⁸ See Dafna Linzer, “IAEA Head: Iran Close to Enriching Uranium,” *Washington Post*, October 24, 2006.

⁴⁹ See, for example, Christopher de Bellaigue, “Defiant Iran,” *New York Review of Books*, November 2, 2006, p. 60: “Ahmadinejad, and every other Iranian politician and official who speaks on the subject, takes elaborate, even ritual, care to reiterate Iran’s longstanding claim that it has no intention of developing nuclear weapons and that the program is exclusively peaceful.”

⁵⁰ Salehi statement,

weapons option is not in Iran’s Defense Doctrine....”⁵¹ (In view of its numerous statements to this effect, if Iran is eventually proven to be seeking nuclear weapons, it will have engaged in an astonishing level of deceit.) Meanwhile, the IAEA has found that Iran has violated its safeguards agreement in numerous instances and has been critical of Iran’s failure to provide satisfactory explanations of past behavior, but so far it has not detected clear evidence of a weapons program. Yet it is very widely assumed that Iran has a nuclear weapons program and policy in Washington is based on this premise.⁵² What are the reasons for thinking that Iran’s nuclear activity is aimed at producing nuclear weapons?

Two broad considerations form part of the context in which Iran’s nuclear efforts are viewed. First, given the strategic environment in which Iran lives, it seems perfectly logical that Iran would want nuclear weapons. Iran exists in a nuclear neighborhood. Its bitterest enemy, Iraq, was actively pursuing nuclear weapons for many years. To its east it finds nuclear-armed Pakistan – a rival for regional influence in southwest Asia. Across its northern border it finds nuclear-armed Russia. Iran has deeply antagonistic relations with nuclear-armed Israel. And, far from least, Iran has faced implacable hostility from Washington – which possesses both a large and sophisticated nuclear arsenal and exceptionally potent conventional capabilities.⁵³ The Bush Administration has loudly expressed its strong preference for regime change in Tehran. In the United States the advisability of attacking Iran is openly debated. The American invasion of Iraq was explicitly intended to send a coercive message to Tehran – while bringing American military power literally to the borders of Iran. Under these circumstances, the pursuit of a nuclear deterrent seems a perfectly rational response to a very difficult security predicament. Add in Iran’s aspirations for regional influence and international status, and its quest for nuclear weapons seems almost overdetermined. Those factors thought to cause nuclear proliferation – nuclear rivals, conventional inferiority, desire for status – are operating in the case of Iran. And of course, certainly in Washington (and to some extent elsewhere) there is an instinct to impute the most nefarious intent to Tehran.

Second, Iran has displayed a pattern of technology acquisition and development that is consistent with the pursuit of nuclear weapons. The possession of the entire nuclear fuel cycle – seeking indigenous uranium enrichment and pursuing plutonium related facilities – inherently provides the ability to produce fissile material for nuclear weapons. The problem, of course, is that these technologies are dual-use – that is, they have legitimate civilian purposes and can be sought for reasons unrelated to the pursuit of nuclear weapons. However, when a state is presumed to be seeking a nuclear weapons capability – as is the case with Iran – then the acquisition of these dual use technologies appears to confirm the premise. (In contrast, Brazil’s successful development of uranium

⁵¹ “Communcation Dated 24 January 2006 Received from the Permanent Mission of the Islamic Republic of Iran to the Agency,” IAEA INFCIRC/665, January 27, 2006, p. 7.

⁵² See, for example, the discussion of reasons to worry about Iran’s nuclear program in Patrick Clawson, “Proliferation in the Middle East: Who is Next After Iran?,” in Henry Sokolski, ed., *Taming the Next Set of Strategic Weapons Threats*, (Carlisle, PA: US Army Strategic Studies Institute, June 2006), pp. 27-31.

⁵³ See, for example, Scott D. Sagan, “How to Keep the Bomb From Iran,” *Foreign Affairs*, Vol. 85, No. 5 (September/October 2006), pp. 45-60, which emphasizes that the threat from the United States gives Iran an incentive to seek the bomb.

enrichment technology has proceeded without producing an international crisis and has elicited little adverse comment because the perception of its intentions is vastly different than is the case with Iran.)

In short, it appears to many that Iran has strong reasons for wanting nuclear weapons and is pursuing the technologies that will give it the option to obtain them. But there are several other considerations that, in the view of many, reinforce the judgment that Iran is seeking nuclear weapons. Taken together, they provide a strong circumstantial case in support of that conclusion.⁵⁴ To understand the dynamic that has characterized the last several years of proliferation diplomacy – and particularly the interactions between the positions of Washington and Tehran – we must examine the interpretations that lead so many outside observers to suspect Iran’s intentions and the Iranian refutations of those interpretations.

Secrecy Implies Illicit Intent. Over a two decade period, Iran secretly made sustained efforts to master the nuclear fuel cycle. This was one of the major findings of the IAEA in the investigation that took place after the August 2002 revelations. This secrecy, in many eyes, is plain evidence of intent to acquire nuclear weapons. After all, the nuclear activities undertaken by Iran were and are legitimate and permitted so long as they are safeguarded by the IAEA. There was no need, goes this argument, for Iran to be deceitful unless it was hiding a bomb program. Why else would Iran develop covertly that which can be developed openly and legally?

One answer is strongly suggested by the Iranians themselves: because the United States forces it to do so. Ever since the Iranian revolution in 1979, the United States has not only imposed sanctions on Iran that prevented US suppliers of nuclear technology from providing Iran with any equipment or expertise, but it worked actively, relentlessly, and successfully to disrupt any nuclear contract the Iranians might sign and to interfere with – ideally to interrupt – any nuclear cooperation that Iraq might enjoy. Indeed, at the time of the 1979 revolution, the Shah of Iran had underway a massive nuclear energy development program and had signed contracts worth tens of billions of dollars with (among others) firms from the United States, France, and Germany. These contracts were broken. Later contracts – in particular with Russia and China in the 1990s – were subjected to intense US pressure and key elements of the original contracts were rolled back due to US influence. As Kenneth Pollack has written, in the 1990s “the United States got much greater traction with its efforts to persuade other countries not to provide assistance to the Iranian nuclear program. During the Clinton Administration, Vice President Gore and other senior officials hammered the Russians and the Chinese

⁵⁴ There have been public indications that the United States had broken some Iranian codes and for a time had access to Iranian intelligence. Perhaps Washington’s certainty about Iran’s nuclear ambitions is related to the existence of secret evidence obtain in this manner. However, this has not resulted in any more public revelations about Iran’s nuclear weapons aspirations, nor has it led to the discovery by the IAEA of conclusive evidence. The story of US access to Iranian intelligence was originally reported in the New York Times and is recounted in Suskind, *The One Percent Solution*, pp. 312-313. Suskind reports that Iraqi exile leader Ahmed Chalabi allegedly warned Iran that its intelligence had been penetrated and the access has ended.

relentlessly....”⁵⁵ Under American pressure, the Russians abandoned a deal to build an enrichment plant in Iran.⁵⁶ Under American pressure, the Chinese retreated from a deal to build a uranium conversion facility at Esfahan. Not surprisingly, after years and decades of such experience, the Iranians came to the conclusion that the United States would not allow Iran to obtain sensitive technology and that Washington had considerable capacity to prevent deals from being consummated even when contracts had been signed.⁵⁷ Any deal that was done openly and above board was vulnerable to the American veto. The more significant the deal, the more likely was American pressure to undo the deal. In view of this reality, Iranians believe, Iran had no alternative but to pursue its nuclear technology secretly. As the Iranian representative at the IAEA openly explained at an IAEA Board of Governors meeting in Vienna in September of 2003, “For the last twenty four years Iran has been subject to the most severe series of sanctions and export restrictions on material and technology for peaceful nuclear technology. So our peaceful program has no choice but to become discreet.”⁵⁸ The Iranian Ambassador to the United Nations, Javad Zarif, has put it even more bluntly: “Why did we not openly declare our program...? The answer is very clear, had we declared it we would not have been able to do it. We would have been denied the necessary imports.”⁵⁹ From the Iranian point of view, in short, only by hiding its nuclear transactions could Iran avoid the adverse effects of American bullying.

A second possible explanation for Iranian secrecy follows from (and is compatible with) the first. Deprived of full access to international nuclear commerce and vulnerable to American disruptions of its deals, Iran could not draw upon or rely upon legitimate markets in nuclear technology. Naturally, therefore, Iran was driven to reliance on the illicit market in nuclear equipment and expertise. More precisely, Iran was a major and primary customer of the now infamous AQ Khan network in Pakistan. Father of the Pakistani bomb, Khan was revealed in the fall of 2003 to be running a nuclear bazaar, supplying both sensitive dual use technologies and (in some instances) weapon-related expertise to countries such as North Korea, Libya, and Iran.⁶⁰ From Washington’s point of view, Iran’s association with AQ Khan – who appears to have been actively in the business of spreading nuclear weapons expertise – is further evidence indicating Iran’s desire for nuclear arms. This is certainly a plausible belief given the known facts of the case. However, whatever Iran’s motivations (and even if they are entirely benign), its engagement on a nuclear black market with the notorious Dr. Khan made secrecy necessary. If Iran wished to retain its relationship with Khan and its access

⁵⁵ Kenneth M. Pollack, *The Persian Puzzle: The Conflict Between Iran and America*, (New York: Random House, 2004), p. 362.

⁵⁶ For an account of US pressure on Russia to refrain from nuclear commerce with Iran, see Victor Mizin, “The Russia-Iran Nuclear Connection and US Policy Options,” *Middle East Review of International Affairs*, Vol. 8, No. 1 (March 2004).

⁵⁷ Echoing this point is Mustafa Kibaroglu, “Good for the Shah, Banned for the Mullahs The West and Iran’s Quest for Nuclear Power,” *Middle East Journal*, Vol. 60, No. 2 (Spring 2006), p. 217.

⁵⁸ “Statement by Ambassador Ali A. Salehi, Islamic Republic of Iran,” IAEA Board of Governors Meeting, Vienna Austria, September 12, 2003, p. 3 as available at www.iaea.org.

⁵⁹ Liechtenstein Colloquium Report, *Iran’s Security Challenges and the Region* (Liechtenstein Institute on Self-Determination at Princeton University, August 2005), p. 31.

⁶⁰ For an extensive discussion of the Khan network, see William Langewiesche, “The Wrath of Khan,” *The Atlantic Monthly*, November 2005, pp. 62-85..

to the technology he provided, it needed to keep its illicit activity out of public view in order to protect its key supplier. If ever the Khan network were exposed, then Iran's essential external source of sensitive technology would disappear. Tehran would have preferred, it is claimed, to have bought enrichment technology and other fuel cycle equipment from Russia and China or from France, Britain, or other European suppliers. The United States would not permit this and hence it was extremely important for Iran to preserve the black market option that it possessed. Having driven Iran into the black market, Iranians suggest, the United States should not be surprised that Tehran needed to operate in a hidden fashion.

The notion that Iran's nuclear deceit was linked to AQ Khan finds some circumstantial but suggestive backing in the evolution of Iran's nuclear crisis. For more than a year after the revelations of August 2002, Iran was a difficult, recalcitrant object of the IAEA's scrutiny – cooperation was erratic and Tehran appeared to be following a policy of concealment. In October 2003, however, the interception at sea of nuclear cargo being shipped from Pakistan to Libya blew the lid off of the AQ Khan network.⁶¹ Soon an American delegation was in Islamabad briefing the Pakistani government about the sins of AQ Khan and by early 2004 Khan himself was under house arrest, his black market network in ruins. As noted above, it was on October 21, 2003 – that is at a time when it had become apparent that AQ Khan was finished – that Iran suddenly reversed course, revealed the scope of previously unreported activities, and entered a much more cooperative phase in which it signed, within a few weeks, the Additional Protocol allowing the IAEA much wider scope and mandate for inspections. It is certainly consistent with the facts to speculate that when the Khan network was exposed, Iran's need for secrecy greatly diminished. There was no need any longer to protect the Khan network and Tehran must have assumed that many of its nuclear habits and deals would now be exposed. As Shahram Chubin has written, "revelations about the extent of the activities of the AQ Khan network in sales of nuclear equipment and designs to Iran put Tehran under further pressure to admit the totality of its program."⁶² Iran seems to have responded to the changed circumstance by becoming much more cooperative.

Nuclear Energy Makes No Sense For Iran. Iran's leaders have persistently claimed that its acquisitions of nuclear technology are related to the pursuit not of nuclear weapons but of nuclear power. This is, they insist, a civilian program aimed at generating electricity. To many outside of Iran, including most in the American debate, this claim makes very little sense. Iran is one of the leading oil producers in the world, with an output of some four million barrels per day. In addition, it appears to possess huge reserves of natural gas. Why, outsiders ask, would a state so rich in cheap fossil fuel need or want to develop nuclear power? Why would Tehran choose a path that will produce electricity that is more expensive than that which exploits Iran's rich holdings of fossil fuel? For those suspicious of Iran's nuclear intentions, it seems sufficiently irrational for Iran to pursue nuclear power that this rationale appears to be a feeble

⁶¹ On the Khan-Libya revelations, the Iran connection, and wider implications of the network, see David Albright and Corey Hinderstein, "Uncovering the Nuclear Black Market: Closing Gaps in the International Nonproliferation Regime," Institute for Science and International Security, July 2, 2004.

⁶² Chubin, *Iran's Nuclear Ambitions*, p. 64.

camouflage for a weapons program. In reality, it is commonly believed, this is further circumstantial evidence that Iran is seeking nuclear weapons.⁶³

What counterarguments can Iran deploy in response to doubts about the genuineness of its commitment to a nuclear power program? The Iranian riposte is comprised of at least seven components. First, Iranian officials are quick to point out that there was little objection in the West to the Shah's nuclear program when it was outlined in the 1970s – though Iran's population was smaller, its proven oil reserves were larger, and its energy demand was more limited than today. The Shah's articulated program was larger and more ambitious than that currently envisioned by Iran, and it also entailed acquisition of the entire nuclear fuel cycle. Far from objecting to this program and protesting that it was unnecessary and irrational, the United States and other western countries scrambled to sell the Shah as much nuclear technology as possible. If it was sensible and acceptable for the Shah to pursue nuclear power in the 1970s, Iranians ask, why is it irrational and unacceptable for Iran to develop nuclear power in the first decades of the 21st century? Viewed from Tehran, objections to its chosen energy policy represent nothing more than a hypocritical effort on the part of the United States to deny Iran modern technology and an advanced economy.

Second, it is quite common for large producers of fossil fuel to also have significant nuclear power programs. Russia, for example, is both a major oil producer and exporter and a world leader in nuclear power with an extensive nuclear power infrastructure. China possesses enormous reserves of coal but nevertheless is actively developing nuclear power. The United States invested heavily in nuclear power even when it was still a net exporter of oil. From Iran's point of view, there is nothing unusual about weaving nuclear power into the mix, about choosing a diversified long term energy strategy, about supplementing the fossil fuel sector with investment in nuclear energy. In Tehran's eyes, objection to its energy policy reflects a double standard rooted in Washington's deep hostility toward Iran.

Third, Iranians highlight the point that Iran is not a tiny petro-state that can afford to live well and indefinitely on revenues generated by oil exports. On the contrary, Iran is a rapidly growing country of 75 million for whom oil revenues – important though they are to the state budget – are not adequate to ensure a prosperous quality of life for its citizens. This will be even more true in the future with its burgeoning population and its disproportionately youthful population placing great pressure on the job market. To generate enough jobs and to create enough wealth to cope with population growth and to raise the standard of living, it is argued, Iran needs to do more than just pump oil. It must diversify and modernize its economy, exploit high technology, and move into the modern economic era. Iran's leaders see the development of nuclear power as a significant component of this approach. From Tehran's point of view, Washington's opposition to the nuclear program represents an effort to deny modern technology to Iran and to

⁶³ On Iran's nuclear energy program and Western doubts about its necessity, see Chubin, *Iran's Nuclear Ambitions*, pp. 24-31. Chubin emphasizes a desire for international status and domestic legitimization in the promotion of Iran's nuclear policy.

condemn Iran to technological backwardness – an effort that Iran’s leaders find objectionable and unacceptable.

Fourth, looking to the future, Iran believes that its long term economic interests will be best served by generating domestic electricity with nuclear power while preserving fossil fuel for export. With dramatically growing demand for oil and natural gas on the international marketplace (particularly as India and China become major consumers and importers of hydrocarbons), prices are likely to remain relatively high and may well increase in the future. This makes it attractive, from Tehran’s vantage point, to preserve oil and gas as much as possible as an export commodity while doing as much as possible to satisfy domestic energy needs in other ways – that is, by exploiting nuclear energy. What Washington regards as irrational is regarded in Tehran as intelligent long term economic planning.

Fifth, in Iran’s assessment, it can maximize the economic benefit provided by its reserves of oil and gas by exploiting high value-added portions of the fossil fuel product chain. While exporting crude oil can produce considerable revenue, the value of Iran’s natural resources will be much greater if it can move in the direction of exporting refined products and especially petrochemicals. Iran can burn its fossil fuel in domestic power plants or export it as a raw material, but it will be much more valuable as feedstock for a future refinery or petrochemical industry. While Washington may not see much sense in nuclear power for Iran, in Tehran oil and gas reserves are viewed as precious assets whose long term worth will be enhanced by developing nuclear power that reduces the need to draw down reserves fulfill domestic needs.

Sixth, Tehran’s current plan for developing nuclear power will require two or three decades to implement. Over that time frame, it is possible that Iran’s oil production will begin to wane. Already there is evident concern that Iran’s oil sector may be at or near peak production. In an Iran twenty or thirty years hence, with a much larger population, much higher energy consumption, and possibly less oil than today, nuclear power will seem an extremely desirable and sensible component of Iran’s energy mix. As Iran’s UN Ambassador Javad Zarif has stated, “Iran needs nuclear energy because Iran’s oil and gas resources are finite. It will need to import oil in a few decades with the current rate of consumption, and it does not want to deprive itself of an important area of technology.”⁶⁴ Given the long lead times associated with the construction of nuclear power installations, it is suggested, Iran needs to begin now to develop its nuclear electricity capabilities. This is not irrational, in Tehran’s view, but a perfectly sensible long-term energy strategy that provides insurance against the day when Iran’s oil production begins to decline.

Finally, in addition to all of these tangible economic and energy-related arguments, the nuclear energy program has become deeply embedded in Iranian domestic politics – perhaps increasingly so as the international community has pressured Tehran to stop key elements of its nuclear activities. This has brought into the picture the element of pride and nationalism, of resistance to pressure and determined defiance of outside

⁶⁴ *Iran’s Security Challenges and the Region*, p. 30.

forces seeking to dictate Iran’s technological fate. By all accounts, Iran’s nuclear program commands wide, nearly universal, support among the population and across political factions. As Chubin explains, the nuclear issue has become a “symbol of modernity and independence, as well as a consensus issue on which there is little scope for disagreement...”⁶⁵ Tehran’s rival domestic factions appear to fiercely debate the tactics for managing the nuclear confrontation, but all are fundamentally committed to the nuclear program.⁶⁶ Iran’s sense of itself as an advanced nation, exploiting modern technologies and moving forward as an emerging power appears to be bound up with its nuclear program. As Tehran sees it, Washington wishes to prevent Iran’s modernization and its rise as a regional (and perhaps even global) power, but the opposition of the United States appears to make it even more determined to succeed.

Many – perhaps most – Western observers believe that Iran has no real need for nuclear power and therefore its acquisition of nuclear technology must be related to a desire to develop nuclear weapons. But it must be said that the arguments made in defense of Iran’s emerging civilian nuclear power program are neither outlandish nor implausible.

Iran Has No Need For Enrichment. To outsiders, it seems obvious that Iran can have civilian nuclear power without developing an indigenous uranium enrichment capability that can also manufacture highly enriched uranium for use in weapons. There is a well supplied global market in nuclear reactor fuel that can provide Iran with the fuel rods it will need for its nuclear reactors. Furthermore, foreign critics believe that Iran has no legitimate need whatsoever to develop a uranium enrichment capability now. At present, Iran possesses not a single operational reactor. It has only a single reactor – the Russian built installation at Bushehr – that will begin to operate in the near term (reportedly within the next year). That reactor will be supplied by Russia under a long-term fuel services contract, and hence even when operational the Bushehr reactor will create no demand for domestic enrichment. There is no second reactor anywhere in view – so far as the world knows, there is no contract signed and no construction begun. For some years to come, therefore, Bushehr 1 will be the only operational reactor in Iran.

Why then, does Iran have an active and fairly advanced uranium enrichment program now, at a time when there is no foreseeable civilian demand for low-enriched reactor fuel? Iran’s many critics believe that there is only one possible answer: Tehran is seeking nuclear weapons and is developing enrichment so that it can manufacture the weapons-usable fissile material necessary to make possible a bomb program. Iran’s enrichment program is widely regarded as substantial evidence of Tehran’s appetite for nuclear weapons.

⁶⁵ Chubin, *Iran’s Nuclear Ambitions*, pp. 41-42.

⁶⁶ On the intersection of the nuclear question with Iran’s internal politics, see Kenneth Pollack, “Iran: Three Alternative Futures,” *Middle East Review of International Relations*, June 2006. Pollack argues that the result of Iran’s internal factional struggles will be an important determinant of the outcome of the nuclear crisis.

What is the Iranian explanation? It starts with the fact that Iran has made a major strategic decision to invest heavily in civilian nuclear power over the next 20 years. This will involve many tens of billions of dollars and will, if plans are brought to fruition, be a significant factor in Iran's economy and future economic development. To Iranians, it is as plain as can be that such an important sector of its energy program cannot be allowed to be completely dependent on external sources of supply for fuel.⁶⁷ If there is one lesson that Iran has learned over the past several decades about the international nuclear marketplace, it is that this market is not reliable and cannot be trusted. As Iran's National Security Advisor Ali Larijani has stated quite explicitly, "We do not wish to rely on others to supply our required fuel and there is no international mechanism to guarantee this."⁶⁸ In the Iranian experience in the nuclear realm, the United States – the most willful and influential player in international nuclear commerce – is utterly untrustworthy, shows no respect for the sanctity of contracts, and can be quite insistent that others conform to its wishes. When Washington has thrown its weight around, Iran's nuclear program has suffered. Other players in the market – the Russians, the Chinese, the West Europeans, even the IAEA – are sometimes swayed by Washington's preferences and defer to Washington's demands. From the Iranian point of view, therefore, developing uranium enrichment is a must, a true imperative. It cannot count on the international market to meet Iran's nuclear fuel needs. How can a major element of its economic development program be left totally at the mercy of the United States? As Tehran views it, this is why Iran requires an ability to manufacture fuel for its own reactors.

And why now? In the Iranian vision, the Bushehr 1 reactor is only the beginning. Iran hopes that relatively soon it will sign a contract (apparently with Russia) for the construction of a second reactor. Tehran anticipates that this second nuclear power plant will be ready to become operational in five or six years. It would like to be able to produce the nuclear fuel for this reactor on its own – to demonstrate its alternative to the international market and to improve its bargaining position vis a vis international suppliers. But in Iran's estimation, it is at least five years away from possession of commercial uranium enrichment capability.⁶⁹ Thus, far from being premature and inexplicable, in Iranian eyes its enrichment program may be behind schedule and could be unable to fulfill the role hoped for it. (This explains why Iran believes the suspension of its enrichment program in the context of negotiations with the EU3 was a meaningful concession, and also why Iran was determined to end the suspension.) The Iranians find it difficult to believe that the United States is blind to this rather straightforward calculation and assume that Washington prefers instead to exploit the uranium enrichment issue as another pretext for American bullying.

⁶⁷ See, for example, the sympathetic account of the Iranian position offered by Ambassador Tim Guldemann, former Swiss Ambassador to Iran, in *Iran's Security Challenges and the Region*, p. 23. Guldemann observes that Iran is correct to conclude on the basis of its experience that "provision of fuel on the world market does not work for Iran."

⁶⁸ "Larijani: Iran Ready to Guarantee No Diversion From Civilian Use," Islamic Republic News Agency, June 1, 2006.

⁶⁹ Chubin, *Iran's Nuclear Ambitions*, p. 25, cites one Iranian authority who estimated that Iran was ten years from an operational capability to produce reactor fuel.

Iran would resolve outstanding issues if it had nothing to hide. Iran has insisted throughout this imbroglio that its nuclear program is entirely peaceful. It would seem to be in Tehran’s best interests to bring to a close the protracted nuclear friction with the IAEA, the EU3, the UN Security Council, the United States, and other interested parties. This confrontation has been painful, diverting, and costly for Iran. It may yet grow more costly still if the UN Security Council sanctions succeed in inflicting meaningful economic damage on Iran. Why would Iran let matters get to this point? Why then doesn’t it take the steps necessary to make this crisis go away? Why won’t it do whatever it takes to satisfy the IAEA? If Iran truly has nothing to hide, this would seem to be a sensible – indeed, the sensible – course of action. The common conclusion in Washington and the West is that Iran cannot fully satisfy the IAEA without betraying the existence of its weapons program. This is why Iran cannot bring the saga of its nuclear dossier to a successful close.

Iran has said of several of the outstanding issues that no further information exists. It is impossible to judge the extent to which this is true. The IAEA is clearly both frustrated and skeptical. Some of the issues, however, date as far back as 1987, others to the mid-1990s. Even Iran’s Safeguards Agreement only requires that records be kept for five years.⁷⁰ Perhaps the record-keeping was poor or the documentation was not retained. If so, then Iran would be in no position to provide exonerating information. Iran’s critics worry that the real problem is that it has no incentive to provide damning self-indicting information. What seems (oddly) to be the case, however, is that in some instances Iran appears to have provided enough information and documentation to get itself into trouble, but not enough to get it out of trouble.

IAEA reports on Iran intimate that information from Tehran’s “supplier network” – which can only be the AQ Khan network – is informing the Agency’s work in Iran. “The Agency’s investigation of the supply network,” says a recent report, “indicates that Iran should have additional supporting information that could be useful...”⁷¹ This must mean that Pakistani sources familiar with the link between the Khan network and Iran are suggesting to the IAEA that Iran possesses more documentation than it has shared with the Agency – which then has reason to believe that Iran is not cooperating fully and not providing the full documentation associated with its nuclear program. Iranian analysts see this as further Pakistani mischief-making in order to cause problems for Iran. According to Iranian officials, Tehran contributed information about the AQ Khan network once it was exposed, helping to reveal the scope and scale of the network’s activities. Pakistan is now getting even, in this argument, by creating expectations within the IAEA that Iran cannot fulfill. This sounds plausible but there is no way of knowing whether it is true. What can be said with complete certainty is that Iran could have avoided most of the troubles of the last several years, prevented the diplomatic alignment against it at the IAEA and at the UN, and escaped the burden of sanctions against it if it had simply done whatever necessary to eliminate the outstanding issues. That it has failed to do so is puzzling, since it would be considerably better off if it had done so. This fuels suspicions about its nuclear ambitions.

⁷⁰ As specified in Article 53 of INFCIRC/214, December 13, 1974, p. 13.

⁷¹ GOV 2006/15, February 27, 2006, p. 10.

Iran Would Have Accepted a Negotiated Deal If Its Intentions Were Truly Benign. Western governments and diplomats are insistent, even adamant, in believing that in negotiations first with the EU3 and later in the EU3+3 talks, Iran rejected a series of fair and reasonable deals that should have been acceptable if Tehran’s true aim was pursuit of a civil nuclear program. In the Western view, the powers negotiating with Tehran made far-reaching offers that satisfied – or should have satisfied – Iran’s concerns and interests on a number of scores, nuclear and non-nuclear. Most importantly, in the nuclear realm Iran was offered a deal that would have accepted and supported its civil nuclear program. The EU3+3 proposal under consideration in the summer of 2006, for example, “reaffirmed Iran’s inalienable right to nuclear energy for peaceful purposes...”⁷² It offered a “substantive package” of cooperation in nuclear research and development. It pledged to “actively support” the construction of new light water reactors in Iran. It involved “legally binding, multi-layered” guarantees that nuclear fuel would be supplied to Iran’s reactors by the commercial marketplace. It suggested that Iran could become a “partner” in an international enrichment facility (perhaps in Russia). It indicated that Iran could create a reserve of as much as five years “buffer stock” of nuclear fuel to protect itself against market disruptions. It expressed a willingness to assist Iran in the management of spent nuclear fuel and radioactive waste. In the nuclear realm, as Western diplomats see it, this proposal would have given Iran everything that it could reasonably want – if Iran’s nuclear objective is purely civilian. Furthermore, this nuclear package was augmented with a series of political and economic measures that offered Iran the opportunity to gain substantial cooperation and benefit, including “full integration” into the world economic system and high-tech cooperation in a variety of fields such as energy, civil aviation, and telecommunications. This was, particularly in European eyes, viewed as a fair and even generous offer that would resolve the nuclear crisis, permit Tehran to pursue its civil nuclear program, and serve as the basis for moving forward on a more constructive path in relations with Iran. To the shock, dismay, and even anger of the EU3+3, in August 2006 this proposal was spurned by Iran, which expressed a willingness to negotiate but refused to accept the conditions demanded as prerequisite to negotiation.⁷³ This seemed to many, particularly among those who had been involved in the diplomatic process, to be conclusive evidence of Iran’s illicit desire to possess a nuclear weapons program. Why else would Iran turn its back to such a deal?

Iran’s seemingly incomprehensible reactions to the deals it was offered are rooted in several deep (and mutually reinforcing) concerns on the part of Tehran. First, the EU3+3 proposal was organized under the heading “Areas of Future Cooperation To Be Covered in Negotiations On A Long Term Agreement.” It was part of an effort to bring “a fresh start” to the negotiations.⁷⁴ Hence, this was not an agreement at the end of the road. The positions on offer were not concessions in hand, available to be pocketed.

⁷² This quote is drawn from and the subsequent description relies on the document, “Elements of a Revised Proposal to Iran Made by the E3+3,” as posted on the website of the French government at www.diplomatie.gouv.fr/en/article-imprin.php?id_article=5314.

⁷³ See, for example, “Iran’s Proposal on Nuclear Program Falls Short, US Says,” CNN.com, August 23, 2006.

⁷⁴ Ibid.

Rather, as viewed by Iran’s diplomats, this was nothing more than a list to topics that the other side was prepared to talk about in fresh negotiations. Furthermore, the offer was conditional, available only if Iran suspended completely its uranium enrichment activities. As Iran saw it, this overture involved dangling an attractive list of topics to be discussed – but only after Tehran took steps that eliminated its main source of leverage in the negotiations. Tehran had no confidence in what kind of deal it would actually get under those circumstances. Another worry was that the suspension of enrichment activity was to persist for the duration of the negotiations, raising the risk that the other side could drag out the talks and thereby impose a long and indefinite delay on Iran’s nuclear program. And, as Iranian diplomats were quick to point out, the EU3+3 proposal was for the most part lacking the details and definitions necessary to give substance and reality to the attractive-sounding but broadly sketched offers. Iran had every expectation that any new negotiation would rapidly be bogged down in struggles to give more precise meaning to these broad categories for discussion – and no expectation that a new round of negotiation would ultimately be any more fruitful than previous diplomatic efforts. Thus, what Western diplomats saw as a generous offer full of major concessions was viewed in Tehran as a vague agenda for future talks that the EU3+3 were prepared to undertake only if Iran made its major concessions before the talks even began.

Second, as far as Iran is concerned, the fulfillment and value of any deal it might reach depend enormously, perhaps even entirely, on the position of the United States. If Washington is not committed to an agreement, if it is not prepared to make significant promises and compromises, if it is opposed, if it prefers that a deal be broken or undermined, then there is a good chance that the deal will lose much or all of its value from the Iranian point of view. Though Washington was associated with the EU3+3 proposal, Tehran sees next to nothing in the behavior of the United States in recent years to suggest that the Bush Administration is enthusiastic about the diplomatic process, eager for a deal, or genuinely committed to a negotiated resolution of the nuclear crisis (except on terms that involve capitulation by Iran). Indeed, the wider context in which the diplomatic interactions have taken place has been and continues to be marked by the unrelenting hostility of the Bush Administration toward Iran, an open debate in the United States about the advisability of attacking Iran, deep frictions over US-Iranian interactions in Iraq, allegations that Washington is actively working to undermine Iran’s government – and all of this in the context of the Bush Administration’s unabashed and explicit policy of regime change. As one conservative Iranian newspaper associated with Supreme Leader Ayatollah Khamenei argued, “America is after our destruction and the nuclear issue is merely an excuse for them.”⁷⁵ What is it in this picture, Iranians ask, that signals that the United States is a genuine and reliable negotiating partner, one that will bargain in good faith and deliver on deals reached? Further, as noted above, there is nothing in Iran’s experience over a period of more than two decades to suggest that Washington can be relied upon to respect the sanctity of agreements in the nuclear field. Indeed, for Iran the historical record suggests just the opposite. Thus, not only was Iran being asked to make its major concession in advance of the negotiation and then trust that the subsequent diplomatic effort would produce a satisfactory outcome based on a vague

⁷⁵ As quoted in Ray Takeyh, “Understanding the Iran Crisis,” Testimony before the House Committee on Foreign Affairs, January 31, 2007, as available at www.cfr.org.

agenda, but to do so when the most important player, the United States, seemed clearly uninterested in compromise, clearly opposed to nuclear progress in Iran, and clearly unenthusiastic about a deal.⁷⁶ The Iranians did not anticipate a successful diplomatic process under these political circumstances and did not believe that the Europeans, however well-intentioned, could ensure Washington's fidelity to the negotiation or to any deal that might be reached. Hence, what looked through European eyes to be a promising diplomatic gambit looked to Tehran like a diplomatic dead end. Hence the prompt and emphatic rejection of the proposal. This appears to be a clear illustration of the proposition put forward by Norwegian expert Sverre Lodgaard: "Nonproliferation and regime change are difficult to reconcile. Policies of regime change make serious negotiations impossible."⁷⁷

Third, Iranian judgments about the prospects for successful nuclear diplomacy have been influenced by the fate of their own diplomatic initiatives toward the United States. At points in the last several years, Iran undertook to initiate dialogue with Washington and to engage in direct discussion of issues in contention between them. In perhaps the most notable case, in May 2003 the Iranian government indicated a willingness to embark on discussions of a so-called "grand bargain" that would seek to address the full array of issues of interest to Washington in return for security guarantees and the lifting of US sanctions (among other things). According to former National Security Council staffer Flynt Leverett, who worked on these issues in the first years of the Bush Administration, Iran's proposal "aimed at resolving all outstanding bilateral differences between Tehran and Washington, including the nuclear issue."⁷⁸ Also on the table, according to published reports of the episode, were matters such as Iran's policy toward Israel, its support of Hezbollah and Hamas, and the stabilization of Iraq. The Bush Administration not only rejected this overture almost instantly, but it criticized the Swiss Ambassador in Tehran who had served as the intermediary between Tehran and Washington, going so far as to complain to the Swiss government about the Ambassador's behavior. President Bush, concluded journalist Christopher de Bellaigue of this episode, "didn't want to offer guarantees to a regime that he intended, at a later date, to try to destroy."⁷⁹ After this experience, it is not surprising that many in Iran judged, as one expert put it, that "no Iranian concession would be sufficient to please Washington...."⁸⁰ In short, Iran's experience in trying to initiate diplomatic contact with the United States was frustrating and unsuccessful even when Tehran felt that it was being quite forthcoming. This only reinforced the Iranian belief that Washington, at least

⁷⁶ On this point, see for example, Gareth Porter, "US Made An Offer Iran Can Only Refuse," *Asia Times*, August 26, 2006. Porter argues that the United States was unwilling to make key compromises (such as offering security guarantees) and that it desired the failure of the diplomatic track so that it could redouble its coercive efforts against Iran.

⁷⁷ Sverre Lodgaard, "Iran and Nuclear Proliferation," Norwegian Institute of International Affairs, October 27, 2005, p. 11 of manuscript. The impact of the US policy of regime change on the Iran nuclear crisis are explored in Sagan, "How to Keep the Bomb from Iran."

⁷⁸ Flynt Leverett, "Dealing with Tehran; Assessing US Diplomatic Options Toward Iran," A Century Foundation Report, The Century Foundation, 2006, p. 12. For related discussion, see Flynt Leverett and Hillary Mann, "What We Wanted to Tell You About Iran," *New York Times*, December 22, 2006.

⁷⁹ Christopher de Bellaigue, "Defiant Iran," *New York Review of Books*, November 2, 2006, p. 58.

⁸⁰ Trita Parsi as quoted in Guy Dinsmore, "US Allies Urge More Direct Dialogue with the United States," *London Financial Times*, May 3, 2006, which provides a brief account of the May 2003 initiative.

during the duration of the Bush Administration, was simply not interested in diplomacy. This further contributed to Iran’s skepticism about the promise of the nuclear negotiations, no matter what offer was under consideration.

It may be that some sort of negotiated settlement of the nuclear confrontation with Iran is the only sensible path to a satisfactory resolution of this crisis – hence the recurrent, albeit so far fruitless, efforts to negotiate. But there is deep suspicion on both sides of the bargaining table about the intentions, the sincerity and the reliability of the other side. Each fears that it may be involved in a charade. Washington and its Western allies fear that Iran has used the diplomatic track to stall for time in order to allow progress on its enrichment program, without any real intent to bargain seriously to a conclusion. Tehran fears that Washington exploits the diplomatic track to legitimize its sustained bullying of Iran and to justify mounting pressure, without any real intent to find a mutually acceptable deal. Both sides could in fact be correct in their fears, in which case diplomatic failure is foreordained; there can be no deal if neither side wants one. But even if both sides really are interested in finding a settlement of the crisis, such suspicions deform the diplomatic process and produce jaundiced and counterproductive conclusions on each side about the behavior of the other. With intentions being notoriously difficult to divine with any confidence whatsoever, this perverse dynamic is very difficult to escape. In the Iran nuclear crisis, it has led after several years to the collapse of the negotiating track with Tehran.

Iran’s Missile Programs Demonstrate Its Quest for WMD. An additional piece of the puzzle for those suspicious or convinced that Iran is seeking nuclear weapons is Iran’s active missile development and acquisition programs. In the West, medium and longer range ballistic missiles are viewed primarily as delivery systems for weapons of mass destruction – above all, nuclear weapons – because they represent very costly and inaccurate means of delivering limited conventional payloads. Many believe that such missile programs only make sense as an accompaniment to nuclear weapons or other weapons of mass destruction. Hence, Iran’s testing and deployment of missiles such as the Shihab 3, which has a range of approximately 1000 kilometers, is inevitably worrisome. Similarly, Iran’s purchase in 2000-2001 of a small number of Soviet-designed nuclear capable cruise missiles is viewed as yet another indication of Iran’s intentions. Fred Kaplan writes of the cruise missile deal, for example, that “it is unlikely the Iranians would have bought the missiles unless they intended to put nuclear weapons on them. The purchase, in short, is a sign of an intention to go nuclear.”⁸¹ Indeed, viewed by critics outside Iran, the missile effort is the final, conclusive piece of the puzzle. Iran has the incentives to desire nuclear weapons. It is acquiring the technology that will allow it to manufacture nuclear weapons. And it is pursuing a missile program that will give it the capacity to deliver nuclear weapons. This represents a picture of a coherent nuclear weapons program. Case solved. “Iran’s missiles,” says Israeli expert Uzi Rubin, “are an indispensable complement to its nuclear ambitions....”⁸²

⁸¹ Fred Kaplan, “The Nuclear Mullahs: Can Iran’s A-Bomb Program Be Stopped?,” *Slate*, May 6, 2005, p. 1.

⁸² Uzi Rubin, *The Global Research of Iran’s Ballistic Missile Program*, Memorandum No. 86, Institute for National Security Studies (Tel Aviv), November 2006, p. 7.

Once again, however, the view from Tehran is quite different. Its interest in missiles originated in the Iran-Iraq war, when Saddam Hussein used missiles against Iran and it had no ability to launch symmetrical attacks against Iraq.⁸³ Much of its effort has been devoted to shorter range missiles of more tactical relevance that clearly derive from this experience. But more generally Iran sees, or claims to see, broader value to missiles apart from any link to its nuclear aspirations.⁸⁴ Missiles, in Tehran's eyes, give it some ability to strike targets despite overwhelming US (and Israeli) air power. Whatever troubles the United States may have on the ground in places like Mogadishu or Baghdad, it has been unassailable in the air. Saddam's ability to employ air power when attacked by the United States, for example, was essentially zero. For Iran, unable fully to compete with the United States or Israel in the skies – at least for many years to come – missiles represent an alternative to air power that gives it reach and penetrability. This matters because Tehran sees a need to deter both the United States and Israel. Washington is quite vociferous about its distaste for the regime in Iran, its desire for regime change, its unwillingness to tolerate Iran's nuclear progress, and its inclination to consider the use of force in response to these imperatives. Jerusalem regards revolutionary Iran, with its ties to terrorism, its WMD programs, and its animus toward Israel, as the primary threat to its security and there is open debate about the necessity of attacking Iran to prevent it from succeeding in its quest for nuclear weapons.⁸⁵ Iranian analysts are emphatic that Iran is in a defensive posture and that what it seeks is some ability to strike back that gives it a deterrent against the enormous and credible threats it faces.

In sum, the US government has believed for well over a decade that Iran is seeking nuclear weapons. Starting with that premise, the secrecy of many of Iran's nuclear endeavors over many years, its pursuit of nuclear power despite possession of huge fossil fuel reserves, its advances in uranium enrichment despite the absence of internal demand for domestic reactor fuel, its inability to resolve its IAEA compliance issues, its rejection of diplomatic offers, and its pursuit of a missile delivery capability all seem to confirm the suspicion of Iran's nuclear intentions. This collection of circumstantial evidence is enough to convince most American observers that Iran is up to no good. On the other hand, Iran's explanations as viewed by outsiders may or may not be truthful, may or may not be accurate, may or may not be only part of Iran's nuclear story, but they cannot be entirely dismissed as implausible or hopelessly irrational. Given Iran's experience, many of the points it offers make sense.

⁸³ Chubin, *Iran's Nuclear Ambitions*, p. 19. See also pp. 46-48 for further analysis of the missile issue.

⁸⁴ For a discussion of ballistic missiles in Iran's defense policy, see Jalil Roshandel, "The Nuclear Controversy in the Context of Iran's Evolving Defense Strategy," in Kile, ed., *Europe and Iran*, especially pp. 50-52.

⁸⁵ See, for example, Efraim Inbar, "It is Imperative to Use Force Against Iranian Nuclearization," *BESA Bulletin*, No. 20, May 2006, p. 9.

CONCLUSION

For fifteen years or more, US policy has been based on the largely unquestioned premise that Iran was pursuing nuclear weapons. Within the US foreign policy community, there exists a very wide, arguably almost universal, belief that this is the case. If one starts with this premise then there is much in Iran’s nuclear behavior that seems to confirm the proposition that Tehran is seeking nuclear weapons: its deceit, its pursuit of dual-use technologies, its refusal to come clean with the IAEA. Moreover, this may indeed be the correct assessment of Iran’s aims. However, there is always the danger that our assumptions are determining our answers – and always the possibility that a more agnostic starting point would permit recognition of plausible alternative explanations.⁸⁶ Furthermore, there are voices, even in the United States, who offer somewhat different starting points for assessing Iran, who do not echo what Gary Sick has described as “the hysteria that characterizes so much of what passes for political debate on Iran.”⁸⁷

In a manner reminiscent of the experience of the UN’s intrusive efforts in Iraq before the 2003 invasion, extensive international inspection and monitoring has failed to provide any conclusive evidence that Iran has a nuclear weapons program. To be sure, there are unresolved issues that are grounds for concern and circumstantial factors that are reasons for suspicion. But the Iraq experience shows quite dramatically how assumptions and premises can convert suspicions into unwarranted conclusions. In the Iraq case, it was UNMOVIC – the inspection team that found nothing in Iraq – that was correct and its confident critics who were proven incorrect.⁸⁸ As the head of the Iraq Survey Group -- the US WMD inspection team in Iraq – famously stated in Congressional testimony, “ We were almost all wrong....”⁸⁹

In the context of nearly thirty years of deeply hostile relations between the United States and Iran, and the accompanying deeply engrained American habit of assuming the worst about Iranian intentions, it is understandable that the American policy elite and the American public believe that Iran is seeking nuclear weapons. The premises governing the predominant American perceptions of Iran drive inescapably to that conclusion. However, in the context of dual use technology, the connection between premise and conclusion is tautological. If it is possible to consider that the prevailing premises may

⁸⁶ Writing of intelligence in the context of the struggle against terrorism, Ron Suskind has warned, for example, “If analysis, all analysis, isn’t hardheaded and humble, looking for the improbable, it can be infected with the self-referential and convenient. See *The One Percent Solution*, p. 301.

⁸⁷ Gary Sick, “A Selective Partnership: Getting US-Iranian Relations Right,” *Foreign Affairs*, Vol. 85, No. 1 (November/December 2006), p. 143. In this review essay of Ray Takeyh’s new book on Iran, Sick observes that “Iran does not yield easily to standard tools of Western political analysis” and that policies based on flawed understanding of Iran have been “phenomenally self defeating.” (pp. 143-144)

⁸⁸ This tale is recounted in detail in Hans Blix, *Disarming Iraq: The Search for Weapons of Mass Destruction*, (London: Bloomsbury Publishing, 2004). Blix concludes (p. 260) that “the categorical assertions about the existence of weapons of mass destruction –and the dismissal of doubts about those assertions – were just plain wrong.”

⁸⁹ See Woodward, *State of Denial*, p. 278.

be wrong, then the evidence becomes less conclusive and more murky – though not exonerating. There are, of course, still worrisome elements of the historical record, but there is no definitive public evidence that leads to a single unquestionable conclusion.

Rather, there are at least four hypotheses that are consistent with the available evidence.

- (1) Iran is seeking nuclear weapons. Perhaps the circumstantial evidence is correct and Tehran is undertaking a risky and devious strategy of pursuing a nuclear weapons capability – presently in the guise of a heavily safeguarded civilian nuclear program. If so, there will come a time when the evidence is unambiguous – when it is manufacturing HEU for example. If Iran accumulates the requisite nuclear infrastructure for a weapons program within the NPT regime, it will need to escape IAEA safeguards and reject IAEA inspections in order to reorient its civilian technologies to military purposes. This approach would in the end inevitably cause Iran to be in indisputable and flagrant violation of its NPT obligations and would put it on the North Korean path – that is, the adverse international reaction would no doubt greatly increase Iran’s isolation and would no doubt result in sanctions against Iran. In addition, the transition from civilian to military nuclear program would consume months or years, a period in which there would surely be great pressure on Iran and in which the international community would have time to fashion a response.
- (2) Iran **had** a nuclear weapons program.⁹⁰ The origins of Iran’s undeclared nuclear activities, including apparently its earliest encounters with the AQ Khan network, date to the late 1980s when the Iran-Iraq war was still underway. That war was a vast catastrophe, one of the bloodiest of the twentieth century, and inflicted a huge price on Iran. Tehran may have been aware that Saddam Hussein was pursuing nuclear weapons. It knew that he had used chemical weapons against its forces and territory. It makes eminent sense under these circumstances that Iran might have begun to explore the nuclear weapons option. Iran’s P-1 centrifuge program and early cooperation with AQ Khan date from 1987 – the eighth year of its protracted ugly war with Baghdad. However, the war ended the following year and perhaps the Iranians never got very far with their exploration of this option – but meanwhile had established (finally, in Iran’s eyes) a source of nuclear technology that was not subject to the American veto. This allowed their civilian program to progress. This hypothesis would explain some of the early, worrying issues – the 1987 metallurgy document, for example – but also explain the lack of clear progress toward or evidence of a dedicated weapons program in Iran’s recent nuclear activities. And if this hypothesis is correct, why doesn’t Iran

⁹⁰ Offering this interpretation, for example, is Paul Kerr, “Divided from Within,” *Bulletin of the Atomic Scientists*, November-December 2006, pp. 17-19, which suggests that “While Iran probably pursued nuclear weapons in the past, a plausible reading of the evidence suggests that Tehran could be pursuing a different course.”

- (3) Iran is seeking a nuclear weapons **option**. A common speculation is that perhaps Iran has not made a weaponization decision, but wishes to put itself in the position of having a weapons option in the event that it feels the need to acquire nuclear weapons in the future. As Shahram Chubin has commented, “Iran seeks technology related to nuclear weapons and, assuming the absence of a large-scale clandestine program, still has not made a definitive or irreversible decision to acquire nuclear weapons as opposed to an option.”⁹¹ If Iran is determined to acquire nuclear weapons, it could exercise its Article X right to withdraw from the NPT (as did North Korea in 2003). Indeed, the Bush Administration’s policy of regime change and doctrine of preventive war provide grounds for doing so. It would then face no legal barrier to the acquisition of nuclear weapons. It would be rid of the IAEA and its intrusive inspections. It would no longer be caught up in an endless welter of compliance disputes. No doubt there would be adverse international reaction if Iran were to pursue this path – but it is paying a price already for its nuclear activities in a world where many already assume that it is seeking nuclear weapons. Perhaps Iran stays in the regime and pays the price of nuclear confrontation because it hasn’t made a final decision about nuclear weapons. For the outside world, of course, the fundamental point is that in technical terms acquisition of the full nuclear fuel cycle provides Iran with an eventual latent weapons option whether it is seeking one or not.
- (4) Iran is pursuing a civilian nuclear power program. There is no question whatsoever that Iran has adopted an ambitious civilian nuclear power development program that it intends to implement over the coming two decades or more. Its nuclear power sector already exists. The organizations are in place, the personnel exist, the first reactor is built and will go live in the near future. This program would be further along, Iranians believe, if the United States had not so consistently impeded Iran’s ability to purchase nuclear technology. If Iran were viewed more benignly and didn’t have such deeply hostile relations with the United States, it might have avoided the nuclear black market and its grand nuclear ambitions might well be viewed like those of Brazil or Indonesia or South Korea. Its pursuit of uranium enrichment might be viewed as regrettable but acceptable – as has been true of Brazil’s vigorous pursuit of enrichment. If one erases the premise that Iran is actively working to acquire nuclear weapons, then most of what it has done and nearly all of what it is now doing in the nuclear sphere is explicable in relation to an ambitious civilian nuclear program with a strong commitment to energy security. The problem, of course, is that this fourth explanation is compatible with any of the previous three. Iran can be genuinely developing civilian nuclear power while also advancing its interest in the bomb. And because of the dual use nature of the critical technologies, the civilian program actually contributes to the bomb option so long as Iran remains committed to uranium enrichment. This is the essential source of the Iranian nuclear dilemma. If, despite wide belief to the contrary, it actually is seeking only to exploit the civilian atom, it faces an enormous burden of reassurance given the

⁹¹ Chubin, *Iran’s Nuclear Ambitions*, p. 11.

doubts and suspicions that exist about its motives – a challenge that Iran has yet to successfully address..

The agnostic analyst will acknowledge that Iran’s true nuclear aspirations cannot be known with confidence. Many Iranian analysts and even some experts in the West suggest that Iran itself may not have a settled or consensus decision on the matter.⁹² If it is possible to set aside the baggage associated with nearly three decades of hostility and instead give Iran the benefit of the doubt, then it is even possible to suggest that, in general, Iran’s answers to many Western concerns and suspicions are plausible.

The current standoff between Washington and Tehran is marked, however, not by mutual understanding but by ill will and deep mutual mistrust that causes each side to assume the worst about the other. This produces a perverse dynamic. Dysfunctional dialogue leaves all the protagonists dissatisfied and frustrated. Angry policies on both sides are causing counterproductive effects. Washington’s harsh and uncompromising posture appears to have solidified the consensus within Iran that the nuclear project must go ahead and that Iran’s nuclear rights must be protected. Years of heated confrontation have failed to stop Iran’s program while seeming to increase Iran’s resolve to move forward. For its part, Iran too has miscalculated. It has pursued an increasingly combative foreign policy. Perhaps out of exasperation that its cooperation with the IAEA resulted in more problems and more pressure, perhaps out of vexation at the double standards that it perceives, perhaps out of irritation at what it sees as the politicization by the United States of this nuclear issue, perhaps due to internal division and indecisiveness, Iran has failed to do whatever it takes to close its nuclear dossier. It has exhausted the patience of both the EU3 and the IAEA. If its intentions are genuinely benign, as it has always and vehemently insisted, then it is hard to see what Iran gains by letting things get to a point where the UN Security Council is debating and imposing sanctions and Iran’s isolation has grown. This proliferation gamesmanship may turn out to be too clever by half because there are still voices in the United States who believe, as William Kristol has written, that “We can no longer afford to accept the unacceptable and tolerate the intolerable.”⁹³

Locked in a collision of competing narratives, incongruent perceptions, worst case assumptions, self justifying rationales, and reciprocal suspicion and incomprehension, Washington and Tehran stumble forward in a slow motion melodrama that advances the best interests of neither. Perhaps the Iran nuclear confrontation is destined to come to some unpleasant outcome because Iran really is unalterably committed to the nuclear weapons option and the United States really is unalterably opposed to the Iranian regime and committed to regime change. If so, there will be serious trouble ahead. Perhaps, however, an understanding of Iran’s perceptions and positions preserves hope for a more positive outcome. Iran’s intentions need to be tested – but its views and interests need to be understood if progress is to be made.

⁹² See, for example, Joseph Cirincione, “The Clock’s Ticking: Stopping Iran Before It’s Too Late,” *Arms Control Today*, November 2006, p. 21.

⁹³ William Kristol, “Huffing and Puffing,” *The Weekly Standard*, Vol. 12, No. 6 (October 23, 2006).