

Testimony on Iran
Senate Foreign Relations Committee
March 28, 2012

Mr. Chairman and Members of the Committee

It is an honor and a privilege to be asked to testify this morning on one of the most important issues of the day. I thank you for your invitation. It is also an honor to join General Cartwright and Karim Sadjadpour, both of whom I admire and respect.

My hope is to use my prepared testimony to address three issues regarding Iran and the United States:

- 1) What do we know about Iran's nuclear program and its evolution?
- 2) What is the current diplomatic situation and what might we expect?
- 3) What options are available to us?

My career has been in diplomacy. I will therefore focus most of my time and attention to that subject.

THE NUCLEAR PROGRAM

Let me begin by saying Iran was interested in nuclear questions at the time of the Shah. He started a large program. Indeed, the Shah was responsible for articulating a program to build 20 civil power reactors which has now been readopted by the present, revolutionary government. There were many of us who had suspicions that the Shah—much as Brazil, South Korea, and Taiwan in those days—was interested in objectives beyond the civil program. But, out of deference to the Shah and his position in the world and his influence, the US asked fewer questions than it should have.

When the Islamic revolution came in 1979, interestingly enough, the new regime called off the Shah's nuclear program. The new regime set a firm policy – a Fatwa or Islamic ruling – that nuclear bombs are un-Islamic and forbidden. And, interestingly enough, the Supreme Leader, Khamenei, within the last few weeks has repeated that particular Fatwa, which at the moment appears to be from his perspective a binding attribute of Iranian policy.

After the Iraqi attack against Iran in the early 1980s, the long eight-year war, and much attention to Iraqi nuclear developments, we saw evidence that the Iranians began to reconsider their nuclear program. By the 1990s, the US had a concern about a reactor at Bushehr the Iranians bought from Germany and we succeeded in persuading Germany to cancel the deal. Then Iran sought Russian support to build the reactor.

The Russians have a continuing policy that they will build reactors overseas, but only on the basis that they provide the fuel and take back the spent fuel. Since civil light water nuclear power reactors produce plutonium in the spent fuel, it is important that the spent

fuel route to a nuclear weapon, at least with respect to the Russian-built Bushehr reactor, has been closed for now by the Russian policy and by its long term contract with Iran. .

At the time of the new deal with Russia on Bushehr, Iran became interested in enrichment. Enrichment of uranium is, of course, important for civil power reactors, but that requires a very low level of enrichment, 3.5 to 5 percent. Any enrichment level above that raises suspicion because it begins to point toward moving to much higher levels, around 90 percent, which makes uranium capable of being fissioned in a bomb. So the US became worried about Iranian intentions regarding enriching uranium.

At the same time, in the late 1990s, the US learned that at least some Iranians in the atomic establishment made a deal with Mr. A.Q. Khan from Pakistan. Iran bought, according to the description by some Iranians, material to build a uranium enrichment capacity. Some Iranians claim that they did not know what they had acquired from A.Q. Khan but they paid a great deal of money for it.

It turned out the Iranians acquired materials that helped them develop their enrichment program. Iran apparently bought a schematic plan for a nuclear weapon that appears to have Chinese origins and perhaps additional material..

That particular set of efforts went ahead until 2003. Without trying to judge why, in 2003 Iran apparently made a conscious decision not to continue activities that would, in effect, constitute a committed program to make nuclear weapons.

Since then, we believe that the Iranian posture essentially has been to try to develop technology and perhaps equipment that would put them in a position to be able to make a decision to move to a nuclear weapon, but they have not decided to develop a nuclear weapon. That conclusion seems to be a widely shared view in the U.S. Government and reportedly in Israel. It parallels some Iranian explanations of its own program.

In the meantime, I would say the following about the Iranian program: They have around 6,000-9,000 centrifuges. The bulk of those are enriching to the civil nuclear reactor scale, 3.5 percent, at the underground facility at Natanz. They are storing the low enriched uranium (LEU) material because Iran has no current use for it. This storage of growing quantities of LEU is another of the reasons why the US has had serious questions about Iran's civil nuclear program. It could constitute a basis for a 'breakout' by moving it into higher levels of enrichment for a weapon.

Secondly, a few years ago, Iran decided to start enriching uranium to 20 percent because it has a research reactor in Tehran, which the United States supplied to the Shah. The Tehran Research Reactor (TRR) is used for making medical isotopes (isotopes used, for example, in cancer treatments). Iran had run out of fuel for that reactor which consists of fuel elements of 20% enriched uranium. So they started enriching to 20 percent. Iran now has accumulated approximately 100 kilograms of 20 percent material, and approximately 3-4 tons of LEU (3.5%) now in Iraq, on which if they did further enrichment work, would put them in a position to have material for two, three, or four

nuclear weapons They would then need to develop the capacity to fabricate that material into a usable weapon that could be effectively delivered for it to have a military use – a process that might take several years. They have also developed and begun testing at least one trial fuel element for the TRR.

Iran has also started a plutonium-based program. They have a (40 MW) research reactor at Arak which could be used to produce plutonium. But that plant is not now functioning; it is still being worked on. One of the key questions that is often ignored with the preoccupation with Iran's uranium enrichment, is that the US and the international community needs to find a way to deal with the potential this reactor provides Iran to produce and then separate plutonium for a weapon should it decide to do so. It is not yet operational. It's a heavy water reactor, which means it could use natural uranium with a heavy water moderator to produce plutonium. Iran is developing a heavy water plant to support the Arak reactor.

RECENT DIPLOMACY.

Six weeks or so ago, the Iranians said they were prepared to restart negotiations with the E3+3 on their nuclear program. They appeared to offer renewed talks without preconditions. They sent a letter to the IAEA, the International Atomic Energy Agency of the United Nations, which is the UN agency designated to carry out nuclear inspections to prevent proliferation and which has been also Iran's appropriately preferred intermediary for negotiations on the nuclear issues. The letter was, unlike previous Iranian letters, apparently almost a "plain vanilla" diplomatic invitation, without preconditions and qualifications, which was encouraging.

Within recent days, there has been a response on the part of the so called E3+3, (essentially Britain, France, Germany, Russia, China, and the United States) accepting the Iranian offer to negotiate We understand that these negotiations will begin on April 13, but it is still unclear where. There has been some speculation they might be held in Geneva, Switzerland

Interestingly, other possibly helpful signals have come from the Iranian side. The Supreme Leader was reported to have commented positively on President Obama's speech to AIPAC [American Israel Public Affairs Committee], something that we would not have expected and has happened rarely, if at all.

Within days prior to the Supreme Leader's remarks on President Obama's speech, he reissued the language of the Fatwa against military nuclear development, this time referring specifically to the prohibition on making nuclear weapons. And just before that, he reintroduced into the world of literature a book he wrote 40 years ago on an arcane subject having to do with the origins of Shiism. But the value of this particular introduction is that the last two words of the title contain the words "flexible compromise."

Reading these tea leaves suggest a possible message from Tehran on negotiations. We do not know exactly what to make of that message but it is hard to ignore.

On the U.S. side for a long time there has been an internal dispute between the United States Government and some Europeans, and possibly inside the US government as well, over the question of whether, in any negotiations, we would end up permitting Iran to do any enrichment. This is a “right” which Iran claims as a signatory to the Non Proliferation Treaty.. There have been past proposals, including on my part, that it might facilitate a helpful conclusion to negotiations if enrichment were permitted at civil levels (3.5-5.0%) and was concretely firewalled from efforts to make a nuclear weapon by serious IAEA-run inspection systems in Iran.

That set of differences has perhaps begun to change. Secretary Clinton in a speech in February opened the door very carefully to the possibility that, with good behavior and real progress, Iran would be permitted to enrich to levels consistent with civil energy needs.

President Obama, who has not declared himself in months on the question of how to move forward, was quite specific in his AIPAC speech that diplomacy—“the big D,” as a lot of my friends call it—is now something he wishes to support. From his perspective, while the military option is always there, it is now apparently a clear second choice - rather that the first choice is diplomacy.

This is a help because we now seem to be witnessing the beginning of an exchange of signals across the airwaves which could serve to reinvigorate the preparations and the potential for a negotiation.

We have had 32 years of separation from Iran and, with the rare exception perhaps in setting up the Karzai government at Bonn in 2002, we’ve had almost no cooperation with the Iranians on issues of importance to both of us. We have a relationship effectively dominated by mistrust and misunderstanding.

My own view is that anyone who believes that he understands enough about Iranian internal politics to be able to use it as a set of guideposts to calculate how to move ahead on negotiations is doomed to failure. This is particularly true for America whose favorite fetish is trying to pick the negotiator on the other side. And anybody in Iran who thinks he understands American politics enough to know the full answer to the future of our relationship is probably in the same trap.

We will need to move ahead on the basis that we will deal with Iran the way it is and Iran must deal with the US the way it is. Both sides will have deal without preconditions. .

Finally, there has been some encouragement regarding the duration of the meetings. In the past there have been one-day meetings where one side simply rejected the proposal of the other. There was no opportunity provided to negotiate and discuss differences. It

appears that the intention this time is to make the up-coming meeting a multi-day event with hopefully then the opportunity for constructive give and take.

WHAT ARE THE OPTIONS?

As a long term participant in Washington "option production", I see four options. This is unusual— in Washington there are usually only three and the decision maker is supposed to choose the middle one.

The first option is a non-option. But it is important to understand it. That is to "sit back and enjoy it". Iran will proliferate and then we can rely on deterrence to deal with the problem. Not a very good option - one that in my view can only encourage proliferation and its attendant dangers in the rest of the region.

It is certainly clear that within the last two years, several Arab countries have developed a new fascination with civil nuclear power. The US is very much aware of and concerned about it. The US is apparently finding ways to keep it hedged, but it is nevertheless a problem. .

There are serious concerns on the part of some that Iran would immediately provide its first nuclear weapon to Hezbollah or Hamas, or a similar organization. I don't fear that happening. I think the first instinct of any nation that acquires a nuclear weapon is to make sure nobody else gets one. The second instinct is to sit down and figure out what one really does with the bomb. .

A move toward further proliferation in the region would set back the hope that many people have, however hard it may be, that we could actually move in the direction of either lower numbers or maybe even zero nuclear weapons in the future.

Therefore, the "sit back and enjoy it, let them proliferate" option for all those reasons makes no sense. It might be a result of the failure of other options, but it is not in my view a useful option . .

The second option, the one you that might be dangerous to choose because it has many more disadvantages than advantages, is the military option. . Let me from the perspective of a former diplomat set out a few key pros and cons.

On the advantage side, our friends in Israel would like to be able to set back the Iran program even two (or maybe one) years, if they could. They would do so on the expectation that something else more helpful will turn up in the meantime That is a weak justification to move to the calamitous decision of using military force..

At the moment at least, Iran apparently does have a conscious non-decision to make nuclear weapons. But if they are attacked without provocation, and particularly if they are attacked on the basis of "they might get a weapon but they haven't decided yet," there would be several results:

One is that Iran would be pushed toward saying , "We never thought we would want to build a weapon. Now that we have been attacked, of course we have to build a weapon to defend ourselves. We will now go ahead and do it come hell or high water."

The second is that Iran which enjoys about a 15 percent popularity in the Muslim world, would see that popularity skyrocket if it became the 'victim' of a poorly justified and supported preemptive attack . Could we then stick with the sanctions program?

Another question is an operational one: Would the US or Israel be able to know what all the targets are and where they are? We have had some success in looking at the Iran program and knowing when they began their various parts of it and what they chose not to tell the world at the time. With the help of periodic inspections from the IAEA, we have had a pretty good idea of where Iran's nuclear sites are located. But would we know where all the targets are? I don't know the answer to that question. It remains hard to be pretty sure about what you don't know on these kinds of issues

On the other side, the retaliatory capability that Iran could exercise is large. They have influence with terrorist organizations that straddle Israel with large numbers of missiles.

There is no question at all in my mind that they could operate in a terrorist way against "soft" American targets all around the world. Iran or surrogates could attack businesses, NGOs [non-governmental organizations], missionaries and virtually every American establishment in the region and beyond. And what would the US Government be able to do to protect the huge American traveling public if in fact there were a very concerted and determined Iranian reaction in the form of continuing, asymmetrical attacks against Americans? Launch a fuller scale attack against Iran?

Even if the Iranians were to decide not to risk high profile attacks against American assets and interests so as not to escalate the US retaliation, Iran has a network that could cause great damage to the US presence in the region and worldwide that could help to avoid being traced directly to the Iranian government.

So let me leave the military option aside. It is not in my view something one would totally rule out in extremis if Iran actually decided to make a weapon and other options could not stop it. We could take the information on which we would base that decision to the international community. In the case of a clear obvious decision by Iran to develop a nuclear weapon, the US would still have a serious problem in the United Nations Security Council getting support for multilateral military action against Iran, but there would be more justification.

And if Israel were to attack on its own, the US would share in the blame - the responsibility for the action - whatever role we actually played. .

In Israel there are some differences over some aspects of the military option But I think there are no differences in Israel over the question of the serious problems an Iranian

nuclear weapon would cause for them. But there are certainly differences about when and how the Israelis might act.

The US, at least, has the option, given the strength of its military forces, to respond to any later decision by Iran to go for a nuclear weapon. Under current circumstances, Iran, to carry out such a decision rapidly, would literally have to declare their intentions to the IAEA inspectors, or take steps to remove the enriched material that is now under IAEA safeguards from IAEA controls. So there is a significant challenge with the existing level of transparency of Iran's program were Iran to try to use stored material from the present civil program to build a weapon..

The Israelis now believe that increasingly it will become harder for them to use military force to attack the Iranian program because the Iranians are beginning to enrich in the deep tunnels under the mountain at Qom/Fordow. Losing the capacity to take military action to stop that aspect of the Iranian program is worrying to Israel and might become a driver of action on the part of Israel to use military force.

Finally, internally and politically in Israel, large numbers of people believe that Israel should not go alone; that it should only attack Iran with the United States in concert.

These are critical questions that Prime Minister Netanyahu has to resolve: Can he bring all the members, or most of the members, of his security cabinet along with him? Not all of them, are apparently now convinced that they should stand where Netanyahu stands on the issue of strikes against Iran, although I have to say I think a great majority of them are there.

Within the last six months, the Israelis have changed, just in the normal rotation, the chiefs of all three of their intelligence services and of their military. The outgoing chiefs of the intelligence services and the military have spoken out forthrightly and politically about the dangers and problems with military action. The incoming chiefs are in my view less influential politically and maybe less capable of speaking out on their own, and it is not certain whether they share the notion that they would recommend an attack on Iran. .

The third option is sanctions. We have relied heavily on sanctions to move the question ahead. Indeed, in my view, sanctions have had a potentially useful effect. I have been concerned that we have not securely tied the sanctions to diplomacy. In the last few days, however, we are beginning to open the door to diplomacy with the President's AIPAC speech.

But sanctions alone, without a decision on what we would take to the negotiating table on core issues such as Iran's enrichment program, has meant we have been hooked to a policy that has all pressure but no open door to negotiations and possible acceptable outcomes. The US seems to be expecting this policy of sanctions and pressure will produce Iran in our hands, like the traditional Marxist ripe plum dropping from the tree, with almost any outcome we would dictate acceptable to Iran. That Iran in effect would finally accept all the US demands. Of course, bringing Iran around to our way of

thinking would be the easy way to bridge the gap between any permitted enrichment and no enrichment. But will it work? I think not.

The fourth option is diplomacy. It has possibilities, but is not a certain solution.

It appears to me that under present circumstances, we have to start with something the Iranians have proposed. They suggested some time ago they would stop enriching to 20% if the E3+3 would provide the 20% fuel elements for the Tehran Research Reactor. Ending 20 % enrichment, which takes them halfway to the enrichment level for a bomb, not mathematically but in terms of the physics of enrichment, would be a helpful step.

This small package to begin with could be enhanced in a second stage by two further steps. . First, a cap on Iran's enrichment at 3.5 percent or 5 percent as a follow-on to Iran agreeing to the cessation of enrichment at 20 percent. Iran would have no further need for material enriched above 5% if the needs of the TRR were assured by the E3+3.

Secondly, we should consider asking Iran to turn over to us the material it has enriched to 20 percent at the time we deliver the fuel elements for the TRR reactor.

Some freezing or easing of sanctions might be a fair quid pro quo for such a steps.

That could be a good beginning.

An important follow on objective for subsequent stages of negotiation should be to expand significantly the inspections and monitoring of Iran's entire nuclear program. This would be a far more important goal of successful negotiations with Iran than to persist in our insistence that Iran suspend or freeze enrichment which it is highly unlikely not do and where the knowledge of how to enrich is now well established. Right now Iran is under a limited regime of inspections and monitoring. The US and its allies ought to negotiate, with the IAEA's full participation, an agreement to improve, and indeed strengthen, the inspection process for the future. Iran has in the past accepted in principle a broader area of inspection under the Additional Protocol and related arrangements of the IAEA. In return for Iran agreeing to expanded inspections the US would recognize Iran's right to enrich for civil purposes only.

In addition there is a wider range of issues to be taken up with Iran.

Regime change is certainly something the Iranian Supreme Leader is apparently deeply concerned about. If I were Supreme Leader and I thought somebody was trying to change my regime, I guess I would be concerned about it too.

While some of our colleagues might imagine that regime change will solve our problems with Iran, I believe that remains far fetched and highly unlikely. Our past history at changing regimes has been pretty parlous. It is not something that we do very well and certainly not without many unanticipated consequences. Those Iranians who might

replace the present regime seem no less attached to an Iranian nuclear program at least. And besides, in the longer term, in Iran it's the people of Iran – many of them very young -- even under their unhappy system, that are going to decide how to deal with their regime and its future. Since Iranian beliefs in regard to the perceived US regime change policy appear to stand in the way of progress in dealing with Iran's nuclear program, the US will need to consider how and when that policy, or the Iranian perception of it, should come off the table.

While the Iranians would congenitally be unwilling to believe any professions of faith in the direction of no regime change from the US, there are some things that we might do in terms of actions that could begin to help them build some confidence. These might include making clear to them that we are not helping internal hostile activists in Iran who have carried a gun against them, and provide ways to communicate about actions that concern them. Secretary Clinton's recent public expression of concern about assassinations in Iran is a case in point. It would also help if we begin to consider freezing or relaxing the imposition of some sanctions in return for real progress in making their nuclear program more open and more fully inspected and in improving relations with Iran in other areas. .

Thus, as we look toward the coming negotiations on nuclear issues, the US should try to find a way to improve both the atmosphere and make progress. Without mixing a broader agenda with Iran with those nuclear discussions, the US could begin to speak with Iran about such issues as the future of Iraq and Afghanistan, drugs, and outstanding financial issues. We could deal with some of the many other bilateral issues between Iran and the United States.

We have some interesting issues on our side that we want on the negotiating table as well: Iran's support for terrorist organizations and past Iranian intervention in the Middle East peace process—to name two.

My recommendation is that we now take the sanctions pressure and turn it into a useful diplomatic tool to begin serious diplomatic negotiations with Iran. Such a new direction will require much care and management of the rhetoric to cause the diplomatic process move forward. The US now has an opportunity to start in the forum of the E3+3. But sooner rather than later, direct talks between the US and Iran will be necessary.

We have much to do. There is once again a difficult challenge but an invaluable opportunity ahead of us.

The President has brought us to where we are and the course has been hard. The path ahead is slippery and difficult. It will require the greatest care and leadership on the part of President Obama and Secretary Clinton. Thirty-two years of deep distrust, buttressed by misunderstanding, will not disappear overnight. The challenge for diplomacy on both sides will be to turn the old zero-sum question into a new era in which we try to extract

some win-win results. Compromises that are painful on both sides will be needed. Hopefully, we can now find a way to reverse the perils of the past.

An Iranian friend of mine who has played an important role in Iranian foreign policy over the years once told me that “The historical record shows that every time we have been ready, you have not been, and every time you have been ready, we have not been.” Maybe we can emerge from that position of the past to begin with some small things – that we can find the way to pull the curves mutual of interest together rather than have them continue to bend apart.