



INSS Insight No. 543, April 30, 2014

The United States, Israel, and the Possibility of Formulating an Outline for a Final Agreement with Iran

Amos Yadlin and Avner Golov

The interim agreement between Iran and the world powers, led by the United States, entered into force in January 2014 and was designed to allow six months of negotiations on a final agreement. Now, halfway through this period, it appears that Tehran and Washington have begun to implement their negotiations tactics and have chosen respective strategies to shape the final agreement and market it as a strategic accomplishment. This situation requires both a more flexible Israeli position and improved US-Israeli coordination so that any agreement reached is tolerable for Israel.

Iran's strategy in the negotiations is to maximize its nuclear program's achievements and minimize concessions. While attempting to portray itself as prepared to make significant compromises, Tehran is preserving its core capabilities in two areas related to the development of nuclear weapons: uranium enrichment and plutonium production. Last week, for example, it was reported that Iran has neutralized half of its stockpiles of uranium enriched to 20 percent. However, this is not a new Iranian concession, rather, implementation of a commitment Tehran made in the framework of the interim agreement. In exchange for sanctions relief, Iran agreed to reduce only its stockpiles of uranium enriched to 20 percent, which are not sufficient for even one bomb, in order to keep the inventories of material enriched to a low level (3.5 percent), which are sufficient for at least six bombs if enriched to a military level. This strategy is also guiding the Iranians in the negotiations on the second track for a nuclear bomb, the plutonium track. Ali Salehi, Iranian Vice President and head of the Atomic Energy Organization of Iran, announced last week that Iran and the world powers had reached agreement on the technical changes that would reduce the output of the reactor in Arak, which can produce plutonium for nuclear weapons. Instead of agreeing to the world powers' demand to convert the reactor so that it cannot produce fissile material for a bomb, Iran is proposing technical changes that would reduce its production capacity but would not entirely eliminate it. Such technical changes would be reversible if Iran decided to violate the agreement.

The message Tehran hopes to relay to the West is that given the “significant” compromises it is prepared to make, the crisis over its military nuclear program can be solved. Yet anyone seeking to negotiate with Tehran with eyes wide open must understand the Iranian strategy and not get hoodwinked by impressions.

The United States appears to be formulating its position on the final agreement, focusing on demands for a unprecedented tight inspection mechanism for the Iranian nuclear program and an attempt to persuade the Iranian leadership that any violation of the agreement will lead to tough punitive measures. These two demands are also mentioned in a paper published by Robert Einhorn, the State Department's special advisor for nonproliferation and arms control in President Obama's previous term. Yet while necessary to prevent Iran from future nuclear weapons development, they are not, as Einhorn himself stresses, sufficient. The international inspection mechanisms are not perfect and can always fail, as they did with regard to Iraq, Libya, North Korea, Syria, and Iran when they failed to discover in a timely manner these states' efforts to develop a covert military nuclear program. Moreover, these mechanisms can cease to exist if Iran makes a unilateral decision to this effect, as did North Korea. Deterrence is likewise not immune to failure, and depends on a US ability both to persuade Iran that a violation of the agreement will elicit a serious response and to maintain a credible threat over time in changing international conditions. The credibility of American deterrence in the region has been hurt as a result of the American policy toward the challenges in Syria, Iran, and Ukraine.

Therefore, it is important that a third dimension be added to these two dimensions of the final agreement, namely, significantly extending the time needed for Iran to develop nuclear weapons, should it decide to do so and expel the inspectors or withdraw from the Nuclear Non-Proliferation Treaty (NPT). According to a US estimate mentioned by Secretary of State Kerry in a Senate Foreign Relations Committee hearing, Iran could develop nuclear weapons within two months. This is a dramatic change in the US estimate, since in October 2013, President Obama gave assessed that Iran could produce a bomb within a year. One explanation for Kerry's position is that he addressed only the time needed for enrichment to a military level, assuming that the weapons development track is not a bottleneck in the process. But another possible explanation for the dramatic shift in the American estimate could be the need to sell the final deal with Iran as a “good deal” even if it does not require the dismantling of key elements of the Iranian nuclear program that could be used to produce a nuclear weapon. Thus, Washington could again claim that Iran is one year away from the bomb, but this time, it would claim that the final agreement moved Iran from months to a year from the bomb, while in practice, Iran would not be asked to implement fundamental changes in its program.

The official Israeli position continues to call for the complete dismantling of the Iranian nuclear program, a position that is backed by six UN Security Council resolutions

(Resolutions 1696, 1737, 1747, 1803, 1835, and 1929) calling for the immediate suspension of Iran's enrichment process. Nevertheless, it appears that even the United States has already reached a decision to allow Iran to have a nuclear program within certain limitations, a policy that has serious implications for progress elsewhere in the region toward the threshold, particularly by Saudi Arabia, Egypt, and Turkey. Israel's public declarations have a role in preventing further erosion in the American position. However, in discreet work channels Israel should coordinate with the United States on the outline of a final agreement acceptable to Israel, even if it includes a limited Iranian ability to enrich uranium.

The key parameter, assuming that Iran is likely to violate the agreement, is the time it will take Iran to develop nuclear weapons. This time must be measured in a number of years and not, as Secretary Kerry and Einhorn suggest, a number of months. Only a long period of time will allow the international community to discover a breakout to nuclear weapons, decide on action, and implement a decision before Iran possesses nuclear weapons. Israel's rigid endorsement of its official position even in discrete discussion channels could undermine any ability it might have (even though it is not present at the negotiations) to influence the discourse with Iran. In addition, this said objective can be achieved through a number of alternatives that combine the different elements in the Iranian nuclear program.

The outline of a tolerable deal for Israel must include: dismantlement of most of the centrifuges, with a limited number of first generation centrifuges left in place; limit of the stockpiles of enriched material in Iran to a low level and a small quantity (less than what is needed for one bomb); dismantlement of the enrichment facility located in the mountain near Qom, whose location is meant to ensure that the site is protected and immune to bombing; conversion of the Arak reactor so that it cannot be used for military purposes; an answer to open questions on the military dimensions of the Iranian nuclear program and the entry of inspectors to Parchin, where it is suspected that Iran has carried out actions of a military nature; and a decision that the agreement will be approved in the Security Council under Chapter 7 of the UN Charter and will be valid for many years, which would ensure a substantive change in Iran's strategic conduct. Iran has recently proposed that it be allowed to increase the number of centrifuges it possesses from 20,000 in order to produce thirty tons of fuel for the reactor in Bushehr. This proposal should be rejected because Iran has no need to produce fuel – it receives a sufficient quantity from Russia for peaceful purposes – and because increasing the supply of centrifuges and enriched material will bring Iran closer to the bomb, not farther.

The government of Israel must ensure that in the coming three months of the negotiations it will not be surprised by US policy toward Iran, as it was before the interim agreement of November 2013. Together, the United States and Israel should assess the following

parameters as the basis for formulating a negotiating strategy: Does the lever of the sanctions work? Is a military threat at all credible, and is a change indeed underway in Iran? The two countries must also coordinate their actions in the event that no agreement is reached to extend Iran's "nuclear threshold time" from a number of months to a number of years. Israel must pursue actions coordinated with the White House, but it must also prepare an independent plan of action.

Israel, which fears that the final agreement with Iran will lead to recognition of its status as a nuclear threshold state capable of producing nuclear weapons in a short time, must undertake a strategic update and demonstrate flexibility to maintain its strategic objective: preventing Iran from acquiring the ability to develop nuclear weapons. But Israel must make it clear that it cannot be more flexible than that and that it will view a deal that leaves Iran up to a year from a nuclear bomb as a bad deal. The coming months are likely to be critical in shaping the future of the crisis over the Iranian nuclear program. More than ever, US-Israeli coordination and a high level of confidence between the leaders is an essential condition for the success of Israel's strategy and US strategy, and for achieving the objective common to both countries: preventing Iran from acquiring military nuclear capability.

