

January 27, 2015

**STATEMENT BEFORE THE HOUSE FOREIGN AFFAIRS COMMITTEE
“IRAN NUCLEAR NEGOTIATIONS AFTER THE SECOND EXTENSION:
WHERE ARE THEY GOING?”**

**By the Hon. Eric Edelman
Distinguished Fellow
Center for Strategic and Budgetary Assessments
Co-Chair, Iran Task Force at JINSA Gemunder Center**

Mr. Chairman, Ranking Member Engel, Members of the Committee, thank you for giving me the opportunity to appear before you today to discuss the implications of the Obama Administration’s approach to the Iran nuclear negotiations. I have followed this issue for more than a decade, first as the U.S. Ambassador to Turkey and then as Under Secretary of Defense for Policy. Since retiring from government service in 2009 I have continued to track the progress of Iran’s nuclear program and worked with several of my colleagues at the Center for Strategic and Budgetary Assessments on the broader threat that the program presents to the nuclear non-proliferation regime and regional security in the Middle East. I am also the co-chair with Ambassador Dennis Ross of a bipartisan Iran Task Force sponsored by JINSA’s Gemunder Center for Defense and Strategy that has produced a series of detailed appraisals of the negotiations. Today I will try to provide a strategic assessment of where we stand in the ongoing nuclear negotiations with Iran.¹

The Iranian Strategic Threat

Preventing a nuclear weapons-capable Iran remains the most pressing national security challenge facing the United States today. As President Obama said in his U.N. General Assembly speech in 2012, “a nuclear-armed Iran is not a challenge that can be contained. It would threaten the elimination of Israel, the security of

¹Eric S. Edelman, Andrew F. Krepinevich, Evan B. Montgomery, “The Dangers of a Nuclear Iran: The Limits of Containment,” *Foreign Affairs*, 90:1, pps. 66-81; and Krepinevich, *Critical Mass: Nuclear Proliferation in the Middle East*, (Washington, DC: CSBA, 2013): the reports issued by the Gemunder Center’s Iran Task Force can be found at: www.jinsa.org/gemunder-center-iran-task-force.

Gulf nations, and the stability of the global economy. It risks triggering a nuclear-arms race in the region and the unraveling of the non-proliferation treaty.”²

Even without a nuclear weapons capability, Iranian policies underscore this assessment and reflect Tehran’s ambition to displace the United States and exert its hegemony as the dominant regional power. The turmoil we currently see in the region is in no small part a reflection of Iran’s “struggle for mastery” in the Middle East where it’s aspirations and involvement in a series of conflicts have created a dynamic that drives both Sunni and Shi’a extremism throughout the area and threatens the regional power balance.³

In Iraq, Iran’s patronage of Shi’a militias before and especially since the departure of U.S. forces in December 2011 has disrupted the domestic political balance among ethnic and sectarian groups and fed the recrudescence of Sunni Islamist extremism manifested in the resurgence of the Islamic State last year. The United States’ goal of a pluralistic, unitary state to ultimately defeat the Islamic State is currently threatened by Iran’s overt political and military intervention on behalf of radical Shiite militias.

The fact that senior Iranian Revolutionary Guards officers are being killed in Iraq attests to the brazenness and depth of Iranian involvement.

In Syria, Iran’s hardline Islamic Revolutionary Guard Corps (IRGC) provides the money, oil, weaponry and—with the help of Hezbollah—front-line soldiers that the al-Assad regime needs to grind down the moderate Sunni opposition. This, in turn, feeds the radicalization of the Sunni population and provides fertile ground for recruiting by both the al Nusra front and the Islamic State. By involving Hezbollah so deeply in this sectarian civil war, Iranian policy also strains Lebanon’s delicate political balance and its Western-backed armed forces thereby increasing the odds of another round of war between Israel and Lebanon. Much of Hamas’s arsenal and combat training have come from Iran, including many of the weapons it used to attack Israeli civilians and troops this past summer. According

² White House Office of the Press Secretary, “Remarks by the President to the UN General Assembly,” September 25, 2012.

³ The English historian AJP Taylor coined the term “struggle for mastery” to describe the European state system as it sought to maintain a balance of power while coping with the rise of Germany, see Taylor, *The Struggle for Mastery in Europe: 1848-1918* (Oxford: Oxford University Press, 1954). The struggle over the regional balance of power in the Middle East has also been examined in Efraim Karsh and Inari Karsh, *Empires of the Sand: The Struggle for Mastery in the Middle East, 1789-1923*, (Cambridge, MA: Harvard University Press, 1999) it has also been applied to the contemporary rise of China in the East Asia, see Aaron L. Friedberg, *A Contest for Supremacy: China, America, and the Struggle for Mastery in Asia* (New York: W.W. Norton, 2011).

to the U.S. State Department, the IRGC has also attempted to ship arms to opposition groups in Bahrain, home to the U.S. Fifth Fleet.⁴

Finally, Iranian-backed Houthi rebels in Yemen have taken over much of the country in recent months culminating in the resignation of President Abu Rabbu Mansour Hadi and Prime Minister Khaled Bahah and the collapse of that fragile country's counterterrorism cooperation with the United States against al-Qaeda in the Arabian Peninsula (AQAP). This development threatens the homeland security of the United States and our European allies.

It also gives Iran leverage against Saudi Arabia, and raises the risk to shipping along the Bab el-Mandeb Strait, which the Energy Information Administration calls a "world oil transit chokepoint critical to global energy security."⁵

Iran's regional revisionism is already proceeding at a breath taking pace even without the sword and shield that a nuclear weapons capability would provide. It is no wonder that our traditional allies in the region worry that a nuclear armed Iran or even an Iran on the nuclear threshold would be emboldened to sow even more havoc in the region.⁶

Receding Diplomatic Redlines

Given Iran's behavior without a nuclear weapons capability, and bearing in mind the threat to the global nuclear non-proliferation regime, the prospect of Iran crossing this threshold has spawned more than a decade of diplomacy intended to restrict its potential pathways to a bomb. Unfortunately, the objectives of these negotiations have become steadily more limited over the years, as Iranian intransigence has led the United States and its diplomatic partners to repeatedly define down their redlines in favor of Tehran's. Starting in 2003–6, the EU-3 (Britain, France and Germany), followed by the P5+1 (the EU-3 joined by China, Russia and the United States) and the U.N. Security Council, demanded that Iran verifiably suspend uranium enrichment and reprocessing.⁷ Though Iran cooperated at first, it eventually resumed these activities in 2005 and began expanding its nuclear program the following year.

By 2009, the P5+1 no longer insisted that Iran halt enrichment, but only that it ship out much of its 5% low-enriched uranium (LEU) stockpile for conversion to

⁴ U.S. Department of State, Bureau of Counterterrorism, "Country Reports on Terrorism 2013: State Sponsors of Terrorism Overview," April 2014. The recent Israeli strike that killed a senior IRGC officer in the company of second generation terror master Jihad Mughniyah again testifies to Iran's hand in stirring up additional violence and conflict in the region.

⁵ U.S. Energy Information Administration, "World Oil Transit Chokepoints," November 10, 2014.

⁶ For an excellent recent survey of Iran's bold moves see Charles Krauthammer, "Iran's Emerging Empire," *Washington Post*, January 22, 2015.

⁷ U.N. Security Council Resolution 1696 (July 31, 2006) demanded Iran suspend its uranium enrichment, a demand that was reaffirmed in subsequent UNSCRs in 2007, 2008 and 2010.

medical research reactor fuel. Iran rejected such offers on the grounds they did not recognize its declared “right” to enrich, and started enriching 20% LEU at its previously-clandestine Fordow facility. In mid-2012, the P5+1’s desiderata were whittled down to “stop, shut, ship:” stop 20% LEU enrichment, shut Fordow and ship out the 20% LEU stockpile – in the process abandoning their demand that Iran ship out any of its 5% LEU stockpile. Less than a year later, as Iran’s nuclear program continued to grow, the P5+1 also dropped its insistence that Iran shutter Fordow. Thus the Joint Plan of Action (JPA), which was agreed later that year, allowed Fordow to remain open, and though Iran agreed to suspend 20% LEU enrichment, it would not ship out any stockpiles.

Implications for a Final Deal

On the eve of the JPA, with Iran perched on the nuclear threshold, our Task Force issued a report spelling out the benchmarks for an acceptable final deal.⁸ Any such agreement would have to tangibly roll back Iran’s ability to produce enough weapons-grade uranium for a nuclear device, impose a strict inspections regime, adhere to international legal requirements, and resolve outstanding concerns of the International Atomic Energy Agency (IAEA). To pressure Iran to meet these standards, the United States and its allies would need to negotiate from a position of strength and implement a strict deadline for the talks.

Unhappily, the comprehensive agreement outlined by the JPA reflects the P5+1’s receding redlines. As such, they fall far short of the aforementioned principles, to the serious detriment of U.S. national security. Under the comprehensive agreement foreseen in the JPA, Iran would retain enough key aspects of its enrichment program to continue progress toward nuclear weapons capability, including its facilities and LEU stockpiles, despite remaining in violation of five legally binding U.N. Security Council resolutions calling on it to suspend enrichment and reprocessing. Though it agreed to broader IAEA inspections under a final deal, its enrichment program, even with the increased monitoring under the Additional Protocol, would be far from transparent. Moreover, all existing U.S., E.U. and U.N. sanctions would be lifted. Even these restrictions would not be permanent: after the deal’s sunset, Iran would possess a normalized, industrial-sized nuclear program.

Equally worrisome, the agreement does not appear to be contingent on addressing the other two components of nuclear capability beyond fissile material: a nuclear warhead and a delivery vehicle. Iran is working separately with the IAEA on concerns over possible military dimensions (PMD) of its nuclear program, including weaponization research. It is also entirely unclear if delivery vehicles are part of the discussion, despite Iran continuing its work on advancing the largest ballistic missile arsenal in the Middle East.

⁸ JINSA’s Gemunder Center Iran Task Force, “Principles for Diplomacy with Iran,” October 14, 2013: <http://www.jinsa.org/publications/principles-diplomacy-iran>.

Heading for a Bad Deal

Despite constant assurances from Administration officials, including Secretary Kerry that “a bad deal is worse than no deal,” the pattern of concessions and negotiating dynamic outlined above give very strong reasons for outside observers to fear that the negotiations are moving far beyond the parameters of an acceptable final agreement.⁹ Although it is not possible to offer a judgment at this point, because the Administration has said, “nothing is agreed until everything is agreed,” it still appears likely that we may be confronted with a very bad deal sometime soon. The Administration has retreated from a succession of redlines on uranium enrichment, to the point where Iran could be allowed to retain the majority of its existing enrichment infrastructure. Many of the reported proposals being floated by the U.S. negotiators, whether they would disconnect parts of installed centrifuges, cap Iran’s centrifuge levels or limit its total enrichment output, would still leave Iran with a latent nuclear weapons capability that it could expand and upgrade without violating a final deal.

Even then, giving ground on Iran’s enrichment capability will not necessarily lead to greater transparency. Keeping thousands of centrifuges in place, many of them a flip of a switch away from becoming operational, would seriously complicate the IAEA’s ability to monitor Iranian compliance. Separately, the Administration has relinquished its effort to shut off Iran’s plutonium path to a bomb by converting its heavy water reactor at Arak to a light water reactor.

The P5+1 also appears to have given up on full Iranian transparency on PMD as part and parcel of any final deal, even though as recently as September 2014 the IAEA said it “remains concerned about the possible existence in Iran of undisclosed nuclear related activities involving military related organizations, including activities related to the development of a nuclear payload for a missile.”¹⁰ Though Iran has provided information on certain aspects of the IAEA’s inquiry, it still has not cooperated over its prior research on explosives for a nuclear warhead. Unless these issues are resolved to the IAEA’s satisfaction beforehand, it will be hard to have any confidence that a final agreement will possess the kind of monitoring and verification mechanisms that would ensure Iran cannot develop a nuclear weapons capability. The consequences of U.S. acquiescence in a bad deal would reverberate, for the reasons outlined above, throughout the region and beyond in the rest of the world.

Reversing Course to an Acceptable Deal

⁹ For a typical example of Secretary Kerry’s statements to this effect see his Interview with Rima Maktabi of al-Arabiya, January 23, 2014 at <http://www.state.gov/secretary/remarks/2014/01/220559.htm>, accessed January 24, 2015. As former Spanish President Jose Maria Aznar has noted, “Just about every Western leader is consistently on record regarding Iran’s nuclear program, saying: ‘No deal is better than a bad deal,’” *Wall Street Journal*, November 25, 2014.

¹⁰ IAEA, “Implementation of the NPT Safeguards Agreement and relevant provisions of Security Council resolutions in the Islamic Republic of Iran,” GOV/2014/43, September 5, 2014, p. 12.

It is difficult to envisage an acceptable agreement without a change in the trajectory of the negotiations, and with it a decisive change in Iran's calculus of its own best interests. Thus far the talks demonstrate Tehran's ability to exploit weakness in its opponents. That being said, the Iranian leadership also responds to pressure and the threat of force: it first agreed to suspend enrichment in 2003 out of fear that it was the next target of U.S. military action after the Taliban and Saddam Hussein, and it initially came back to the table in 2013 seeking to alleviate the pain of crippling sanctions.

Therefore, American policymakers must use all available instruments of coercive diplomacy to restore credibility to the oft-repeated statement that every option remains on the table to prevent a nuclear Iran. Success is possible only if Iran realizes it has the most to lose from the failure of diplomacy.

The United States retains a real ability to exert pressure through sanctions. Given the initial positive effects of sanctions relief for Iran under the interim deal, the Rouhani Administration is eager for a rapid and complete lifting of all remaining U.S. sanctions. Moreover, the current oil market balance is highly disadvantageous toward Iran. Not to put too fine a point on it, given the current price of oil the U.S. need not fear that absence of Iranian oil would roil the markets and set back the recovery of the global economy. For these reasons, the United States can credibly threaten more stringent measures against energy and other vital economic sectors if Iran continues its obstinacy.

Military options continue to be viable as well. The United States already has sufficient capability in-theater to carry out a military strike on Iran's nuclear-related facilities, but the deterrent credibility of that option also depends on the perceived U.S. willingness to execute it. American policymakers should clarify and strengthen their declaratory policy, including Congressional hearings on the feasibility of the U.S. military option and publicizing advanced U.S. military capabilities, such as the GBU-57 Massive Ordnance Penetrator (MOP) bunker buster designed specifically to reach targets like Iran's deeply-buried illegal nuclear facilities. Such activities will make it abundantly clear to Tehran that the United States can use military force as a last resort to prevent a nuclear Iran.

The United States should also boost the credibility of Israel's military option. Contrasted with the United States, which has the unquestioned capability but uncertain will to carry out such a strike, Israel's own capability may not match its determination to do so. Therefore, the United States could actively consider the value of generating additional leverage by transferring MOP bunker busters to Israel. Because Israel currently lacks aircraft to carry the MOP, the United States would need to consider transferring an appropriate delivery platform and additional tanking capability as well. Simply beginning a discussion of these options would bolster the U.S. position at the negotiating table by communicating our preparedness to consider other options if diplomacy continues to go nowhere.

Finally, the United States must be willing to compete with Iran, rather than actively seeking its partnership. On one level, this requires a change in tone. The Administration must emphasize its readiness to exert more pressure on Iran instead of exerting pressure on Congress with talking points that come “straight out of Tehran,” according to a ranking member of the Senate.¹¹ On another level, the United States must respond more robustly to Tehran’s ongoing efforts to shift the balance of power in the Middle East. Rather than asking its cooperation and blessing – especially in Iraq and Syria – the United States should undertake every possible effort to isolate Iran in its own backyard. By showing that the United States is willing to contest Iran’s aspirations for hegemony it can magnify Iran’s concerns about the costs of diplomacy’s failure.¹²

I thank the Chairman for scheduling this hearing and the members for their patience and consideration. Thank you.

About the Center for Strategic and Budgetary Assessments

The Center for Strategic and Budgetary Assessments (CSBA) is an independent, nonpartisan policy research institute established to promote innovative thinking and debate about national security strategy and investment options. CSBA’s goal is to enable policymakers to make informed decisions on matters of strategy, security policy and resource allocation. CSBA provides timely, impartial and insightful analyses to senior decision makers in the executive and legislative branches, as well as to the media and the broader national security community. CSBA encourages thoughtful participation in the development of national security strategy and policy, and in the allocation of scarce human and capital resources. CSBA’s analysis and outreach focus on key questions related to existing and emerging threats to US national security. Meeting these challenges will require transforming the national security establishment, and we are devoted to helping achieve this end.

¹¹ Cheryl K. Chumley, “Democrat Sen. Menendez: Obama’s points on Iran come ‘straight out of Tehran’,” *Washington Times*, January 21, 2015.

¹² In this regard see Dennis Ross, Eric Edelman and Ray Takeyh, “Time to Take It to Iran,” *Politico*, January 23, 2015.